

## **Historic, archived document**

Do not assume content reflects current scientific knowledge, policies, or practices.



LEGISLATIVE HISTORY

Public Law 90-218

H. J. Res. 888

TABLE OF CONTENTS

Index and summary of H. J. Res. 888.....	1
Digest of Public Law 90-218 .....	2





INDEX AND SUMMARY OF H. J. RES. 888

- Oct. 16, 1967 House Appropriations Committee reported H. J. Res. 888. H. Report 785. Print of bill and report.
- Oct. 17, 1967 House Rules Committee reported resolution for consideration of H. J. Res. 888. H. Res. 949. H. Rept. 790.
- Oct. 18, 1967 House passed H. J. Res. 888 with amendment.
- Oct. 19, 1967 H. J. Res. 888 was referred to Senate Appropriations Committee. Print of resolution as referred.
- Oct. 20, 1967 Senate committee reported H. J. Res. 888 with amendments. Print of resolution and report. S. Report 672.
- Oct. 23, 1967 Senate began debate on H. J. Res. 888.
- Oct. 24, 1967 Senate continued debate on H. J. Res. 888.
- Oct. 25, 1967 Senate passed H. J. Res. 888 as reported. Senate conferees were appointed.
- Print of bill as passed by Senate.
- Oct. 26, 1967 House conferees were appointed.
- Dec. 4, 1967 Sen. Magnuson was appointed to replace Sen. Ellender as conferee.
- Dec. 7, 1967 House received conference report. H. Report 1011. Print of report.
- Dec. 11, 1967 House agreed to conference report.
- Dec. 12, 1967 Senate agreed to conference report.
- Dec. 15, 1967 Sen. Holland discussed passage of H. J. Res. 888.
- Dec. 18, 1967 Approved: Public Law 90-218.
- Remarks of President when signing.







# DIGEST of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 17, 1967  
For actions of Oct. 16, 1967  
90th-1st; No. 165

### CONTENTS

Appropriations.....1	Highway funds.....28	Reclamation.....5
Budgeting.....13	Holiday.....26	Recreation.....17
Census.....7	Housing.....10,24	Redwood park.....23
Continuing	Interest rates.....11	Small business.....31
appropriations.....1	Leave.....25	Spending.....9,16
Cooperatives.....12	Library services.....4	Taxation.....15,22,27
Cotton processors.....19	Mining claims.....2	Visitors' center.....30
Economy.....9	Pay.....20	Weather.....25,29
Farm prices.....14,21	Personnel.....20,25	Wilderness.....2
Flood insurance.....3	Pollution.....6,18,27	
Forestry.....2,23	Poverty.....8,20	

HIGHLIGHTS: House committee reported continuing appropriations measure. House passed San Rafael Wilderness bill.

### HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported H. J. Res. 888, another continuing appropriations measure (H. Rept. 785)(p. ~~H13459~~). This proposal provides as follows: Continues through Nov. 23 the appropriations of agencies for whom the regular appropriation bills have not yet been enacted. Provides that during this period no department or agency may start new construction, research, service, or other projects; obligate funds for procurement; or hire any new employees--except for the Vietnam conflict, etc. Provides, for the entire fiscal year 1968, that 5% of the funds for salaries and fringe benefits (as shown in the Budget) would be rescinded; that the entire cost of any pay raise legislation which may be enacted would have to be absorbed; and that 10% of the funds for research (as shown in the Budget) would be rescinded.  
~~Conferees were appointed on H. R. 10345, the State, Justice, Commerce, Judiciary appropriation bill. Senate conferees have been appointed. p. H13390~~
2. FORESTRY. Passed under suspension of the rules S. 889, to designate the San Rafael Wilderness, Los Padres National Forest, Calif. pp. H13403-6



Passed without amendment S. 2121, to extend the provisions of the act of Oct. 23, 1962, relating to relief for occupants of certain unpatented mining claims, through June 30, 1971. This bill will now be sent to the President. pp. H13390-1

3. FLOOD INSURANCE. The Banking and Currency Committee reported with amendment S. 1985, to provide for a national program of flood insurance (H. Rept. 786). p. H13459
  4. LIBRARY SERVICES. Passed, 371-0, under suspension of the rules H. R. 13048, to make various technical amendments to the Library Services and Construction Act. pp. H13395-403
  5. RECLAMATION. On objections of Reps. Johnson of Pa., Hall, and Saylor, S. 862, to amend the Small Reclamation Projects Act, was stricken from the Consent Calendar. p. H13390
  6. POLLUTION. Rep. Rumsfeld requested additional measures to control air and water pollution. p. H13428
  7. CENSUS. Rep. Betts recommended development of a coherent plan for meeting Federal statistical needs through the next census. pp. H13429-31
  8. POVERTY. Reps. Hungate and Gubser criticized the anti-poverty program. pp. H13432-6
  9. ECONOMY; SPENDING. Rep. Brown, Ohio, deplored the state of the national economy and urged reduction in expenditures. pp. H13436-9
  10. HOUSING. Rep. Patman inserted remarks of Winslow Carlton in celebration of completion of insurance on \$1½ billion of cooperative housing. pp. H13439-42
  11. INTEREST RATES. Rep. Patman claimed Republicans favor high interest rates. pp. H13442-3
  12. COOPERATIVES. Rep. Patman inserted the President's remarks at the National Co-op Conference. pp. H13442-4
- SENATE
13. BUDGETING. Sen. Byrd, W. Va., discussed the budgetary responsibilities of the President and Congress and stated, "We in the Congress do have a responsibility. We are accountable for the final budget decision through the time-tested appropriations process. There is no way by which, with good conscience, we can ignore that responsibility." p. S14801
  14. FARM PRICES. Sen. Hruska inserted an editorial, "In Perspective," which states, "The American farmer quite properly is growing weary of producing food for the enjoyment and profit of everyone but himself. He is growing weary of an always promising future that never quite materializes." p. S14796
  15. TAX SHARING. Sen. Percy spoke in favor of S. 1236, to establish a Federal-State tax sharing program. p. S14793

## CONTINUING APPROPRIATIONS, 1968

---

OCTOBER 16, 1967.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

Mr. MAHON, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany H.J. Res. 888]

The Committee on Appropriations, to which was referred the House Joint Resolution 888, making further continuing appropriations for the fiscal year 1968, and for other purposes, reports the same to the House without amendment and with the recommendation that the joint resolution be passed.

#### SECTION 1—CONTINUING APPROPRIATIONS

This is the fourth continuing resolution of the session. Section 1 extends the current resolution expiration date of October 23 by 30 days, to November 23 (Thanksgiving Day). Otherwise in this respect, it is identical in emphasis and scope to the current resolution (Public Law 90-38, as amended by Public Laws 90-75 and 90-102, the general terms and conditions of which are explained in House Reports 374, 596, 708, and 724).

While the outside date in this fourth resolution is November 23, it is just that—an outside date. Like continuing resolutions of the past, the terms of Section 1 cease to apply to an agency or activity concurrent with approval by the President of the applicable appropriation bill in which provision for such agency or activity is made. Thus, the scope of this section constricts as each regular bill is enacted; and it becomes wholly inoperative after the last approval.

Five of the 15 appropriation bills for the current fiscal year 1968 have been enacted and cleared to the President. They are: Interior, Treasury-Post Office, Defense, Legislative, and the Agriculture bill not yet signed by the President.

The conference report on the Transportation bill is filed and now pending on the House Calendar.

Five additional bills have passed both Houses and are pending in conference. They are Labor-H.E.W., Independent Offices-H.U.D., the space program (NASA), Public Works, and State-Justice-Commerce-Judiciary. Conferences have been held on several, and more are planned this week.

The District of Columbia bill is in committee of the other body.

Three bills are pending in the Committee on Appropriations where they have been awaiting legislative authorizations; two of them still depend on authorization bills. They are: Military construction, which is to be reported shortly; Foreign assistance; and the closing supplemental in which will be considered, as a principal example, the anti-poverty program. These three bills currently involve about \$9 billion of appropriation requests.

#### DELAYS IN APPROPRIATION BILLS

The Committee's original reporting plan, released on April 10, was to bring all of the regular annual bills for fiscal 1968 to the House during the period March 20-June 30. The last one, for the new Department of Transportation, was scheduled to be reported on June 30.

The first 9 bills for 1968 were reported on schedule, but all the others were, or still are, either wholly or in significant part delayed for lack of more timely enactment of a number of related annual authorization bills.

As Members know, the Committee on Appropriations cannot, within the rules, report appropriations for any purpose not previously authorized by separate law.

Following is a tabulation comparing the original committee reporting schedule with the status of the annual bills for 1968, three of which remain to be reported:



## THE ANNUAL APPROPRIATION BILLS AS OF OCT. 16, 1967

Bill	Commit- tee re- porting schedule, Apr. 10, 1967	Reported to House	Passed House	Passed Senate	Final congres- sional action	Notes
Treasury-Post Office.....	Mar. 20	Mar. 20	Mar. 22	May 23	June 29	
District of Columbia.....	Apr. 14	Apr. 13	Apr. 18	-----	-----	
Interior.....	Apr. 21	Apr. 21	Apr. 27	May 18	June 12	Bill omitted provision for saline water program for lack of authorization bill (budget \$13,482,000).
Independent Offices—HUD.....	May 12	May 12	May 17	Sept. 21	-----	Bill omitted NASA, budget \$5,100,000,000, plus a couple of small items due to authorization bill delay.
Labor—HEW.....	May 22	May 22	May 25	Aug. 2	-----	Bill omitted anti-poverty program, budget \$2,060,000,000, and ten or a dozen other programs, budgets totaling some \$261,840,100, due to lack of authorization bills.
State, Justice, Commerce, and Judiciary.....	May 26	May 25	May 31	Oct. 11	-----	Bill omitted Appalachia item, budget \$33,000,000 due to lack of authorization bill.
Legislative.....	May 26	May 25	June 1	July 10	July 24	
Agriculture.....	June 2	June 2	June 6	July 13	Oct. 10	Bill omitted an Appalachia item, budget \$3,000,000, due to lack of authorization bill.
Defense.....	June 9	June 9	June 13	Aug. 22	Sept. 13	
Public Works.....	June 16	July 20	July 25	Oct. 10	-----	Delay, awaiting AEC authorization bill, budget \$2,646,100,000, plus 4 small items, budgets \$15,385,000 not yet authorized.
Transportation.....	June 30	July 13	July 18	Oct. 5	(1)	Authorization bill for Coast Guard (budget \$107,014,000) was delayed slightly.
NASA.....	-----	Aug. 18	Aug. 22	Oct. 6	-----	Not originally scheduled as a separate bill. Annual authorization bill cleared Congress Aug. 8.
Military Construction.....	June 16	-----	-----	-----	-----	Awaiting authorization bill, budget \$2,937,000,000.
Foreign Assistance.....	June 23	-----	-----	-----	-----	Awaiting authorization bill, budget \$3,818,736,000.
Supplemental.....	(2)	-----	-----	-----	-----	Awaiting various authorizations and any last-minute supplements otherwise.

<sup>1</sup> Conference report filed.<sup>2</sup> Supplemental bill for 1968, for which no reporting date was set, is not listed, but it is scheduled to carry, in addition to any necessary last minute supplements, such major items as the anti-poverty program.

## SUMMARY OF THE APPROPRIATION BILLS

The House has considered, at this session, 14 general appropriation bills—2 supplemental bills for the fiscal year 1967 and 12 regular bills relating to fiscal 1968. It has reduced the budget requests for appropriations by \$3,989,000,000, of which \$3,816,000,000 relates to fiscal 1968 bills.

Some \$9,040,000,000 of specific budget requests are *presently* involved in the 3 bills still pending in the Committee on Appropriations of the House.

The committee will continue its efforts to recommend further reductions in the three remaining bills. Opportunities exist for further significant reductions that will very probably bring the total reductions in the House, in the 15 bills for fiscal 1968, to something approaching \$6,000,000,000, not all which of, however, will hold through the conference stages.

*Expenditure impact.*—Of course, not all of *such a \$6,000,000,000* of House reduction against fiscal 1968 budget *appropriation* requests would translate into an *equal* reduction from the budget estimate of *expenditures* (disbursements) *during* the same fiscal year 1968, for the simple reason that, like the normal pattern of events, it was not expected, and thus not estimated that anywhere near the full amounts requested for appropriation for fiscal 1968 would actually also be paid out within the same (fiscal 1968) year. Carryover unexpended balances for expenditure in subsequent years are a normal thing. But, generally speaking, a reduction in appropriation is nonetheless a reduction in proposed spending—in either the same year, the year following, or beyond.

A summary of the bill totals follows:

COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONG., 1ST SESS., AS OF OCTOBER 16, 1967

[Does not include any "back-door" type appropriations, or permanent appropriations<sup>1</sup> under previous legislation. Does include indefinite appropriations carried in annual appropriation bills]

All figures are rounded amounts			
	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
<b>A. House actions:</b>			
1. Budget requests for "appropriations" considered.....	\$14,411,000,000	<sup>23</sup> \$124,163,000,000	\$138,574,000,000
2. Amounts in 14 bills passed by House.....	14,238,000,000	<sup>23</sup> 120,347,000,000	134,585,000,000
3. Change from corresponding budget requests.....	-173,000,000	-3,816,000,000	-3,989,000,000
<b>B. Senate actions:</b>			
1. Budget requests for "appropriations" considered.....	14,533,000,000	<sup>23</sup> 124,234,000,000	138,767,000,000
2. Amounts in 13 bills passed by Senate.....	14,457,000,000	<sup>23</sup> 123,374,000,000	137,831,000,000
3. Change from corresponding budget requests.....	-76,000,000	-860,000,000	-936,000,000
4. Compared with House amounts in these 13 bills.....	+219,000,000	+3,134,000,000	+3,353,000,000
<b>C. Final actions:</b>			
1. Budget requests for "appropriations" considered.....	14,533,000,000	<sup>3</sup> 85,955,000,000	100,488,000,000
2. Amounts approved in 7 bills enacted.....	14,394,000,000	<sup>3</sup> 84,094,000,000	98,488,000,000
3. Comparison— With corresponding budget requests.....	-139,000,000	-1,861,000,000	-2,000,000,000

<sup>1</sup> Permanent appropriations were tentatively estimated in January budget at about \$15,212,066,000 for fiscal year 1968.

<sup>2</sup> Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, \$980,000,000; House bill, \$925,000,000; Senate bill, \$955,000,000) and for grants-in-aid for airports (budget, \$75,000,000; House bill, \$65,000,000; Senate bill, \$75,000,000).

<sup>3</sup> And participation sales authorizations as follows: Total authorizations requested in budget, \$4,300,000,000; total in House bills, \$1,946,000,000; total in Senate bills, \$4,085,000,000; total enacted, \$750,000,000.

## SECTIONS 2 THROUGH 5 OF THE RESOLUTION

Sections 2 through 5 of the accompanying resolution present for the consideration of the House a number of selected economy proposals: a *temporary* general stop-order on new projects and activities and on deferrable procurement items; reductions in civilian personnel; absorption of increased civilian pay costs that would arise from the pay bill voted by the House last week; and reductions in research and development activities. These are submitted at this time especially in response to the desire manifested by a majority of the House when an earlier continuing resolution was debated and recommitted (without specific instructions) to the Committee on Appropriations on September 27, and the further debate had on October 3 when the substitute for the recommitted resolution was debated and adopted.

The committee report (No. 724, of September 28) on the substitute resolution stated:

\* \* \* The committee will carefully review the appropriation actions of the session and determine whether or not it may, prior to adjournment, recommend rescissions of appropriations previously made, giving consideration to the latest revenue outlook and other economic factors at that time.

In the subsequent House floor debate of October 3, various possible approaches, in response to the expressed desire for budgetary reductions beyond the multi-billion dollar reductions made and in prospect in the 15 appropriation bills, were discussed. The possibility of the rescission of funds previously appropriated was discussed. Postponements, deferrals, and stretchouts were mentioned. Expenditure ceilings were debated. It was stated also that consideration would be given to a more generalized approach as against line item rescissions, deferrals, or stretchouts.

Some committee meetings have been held in respect to those appropriations which have been enacted into law with the object of exploring specific rescissions and absorption possibilities. But with only 5 of the 15 appropriation bills cleared to the President it is not feasible to deal with the matter of rescissions on a line item basis even if it were otherwise determined upon. The amounts to be appropriated in the other 10 bills are not yet known; many of the items are still subject to conference adjustment, and some of course are not yet out of committee. A piecemeal or partial approach on a line item basis does not seem either logical or practical.

In the circumstances, then, what the Committee has done is submit some economy proposals on a general across-the-boards basis, but limited and pinpointed as to the objects involved except that in respect to Section 4 dealing with absorption of the civilian pay raise, wide latitude would be allowed to the Executive branch to make room for the absorption. This would comport with the practice of the past in connection with supplemental requests in the latter part of a fiscal year in which a general pay raise has been enacted in the sense that heavy emphasis is always put on absorptions, and provisions permitting transfers between appropriations to enable substantial absorptions within existing funds are commonplace in supplemental pay raise appropriation bills.



## APPROXIMATE SAVINGS

There will be, of course, great interest in a dollar total of savings to be made under the terms of this resolution. Only a very rough approximation can be made, primarily because so many of the regular annual appropriation bills are still awaiting final congressional action. Other contingencies and uncertainties are involved in any effort to arrive at precise numbers.

Briefly, the effect of section 2 is completely beyond reasonable estimation; section 3 should result in savings of roughly \$560 million under the assumptions and caveats noted below; on the basis of H.R. 7977, as passed the House, section 4 would save \$625 million; again with the assumptions and caveats noted below, section 5 would probably result in savings of \$325 million. Thus, a very rough total, recognizing the uncertainties, would be on the order of \$1,510 million after consideration of all other House action on appropriation bills to date, or \$2,850 million disregarding reductions made to date.

The object and general dimensions and import of Sections 2, 3, 4, and 5 are explained somewhat more fully in the paragraphs that follow.

## SECTION 2—TEMPORARY SUSPENSIONS

Section 2 is in the nature of a temporary restraining order—during the 30-day period of the resolution—against making obligations for any *new* construction, research, demonstration, training, service or similar project or activity—with certain generally delineated areas of exception; against making any obligation for procurements that can be temporarily postponed without impairing the national defense or welfare; and against hiring any new civilian personnel—again, with certain stated areas of exception. The major thrust of Section 2 is a general foregoing—a general “stop-order”—on making contracts of various sorts until the appropriation bills and other fiscal actions, and the amounts thereof, are legislatively finalized and become applicable to the functions of Government.

To some extent, the provision dealing with *new* projects or activities is duplicative of a prohibition customarily carried in continuing resolutions—and carried in the one now in effect—that forbids initiation of new projects or activities until they are provided in a regular bill in due course. But Section 2 is more stringent with regard to the 10 bills still in Congress and it also has application to the 5 bills already enacted.

## SECTION 3—CIVILIAN EMPLOYMENT

Estimated Federal executive branch civilian employment, projected as of the end of fiscal year 1968, is 2,881,500 as shown in the 1968 budget. Of this total, 2,615,000 are permanent full-time employees and 266,500 are other than permanent full-time employees. The total estimated pay and benefits for these Federal civilian employees, as reflected in the 1968 budget, is some \$23,350,000,000.

There is a widespread and long-held belief among many Members and others that some further reduction in civilian personnel positions would be a good thing—and of course effect some economies. An across-the-board reduction of 5 percent, required by section 3 of the accompanying resolution, applied to the total estimated cost of

personnel compensation and benefits would presumably save approximately \$1,170,000,000. Actual savings, however, will be some lesser amount because of the exemptions from this reduction of employment relating directly to the military effort in Southeast Asia and of employment required for the protection of life and property, the impact of which cannot be readily determined. The best rough estimate which can be provided under the circumstances is that the saving could approximate \$900,000,000 or perhaps slightly less. The reductions in numbers of employees, or more precisely, in number of positions, would probably be in the neighborhood of 110,000. Amounts withheld from obligation under this section are rescinded.

It must be noted that the reductions which the House has made in the 12 appropriation bills for fiscal 1968, passed thus far, directly related to civilian employment, amount to about \$340,000,000 involving some 42,000 positions—very roughly calculated. In instances where reductions made in the regular bills have already, or will result in a cut of 5 percent in budgeted civilian personnel compensation and benefits, the general reduction levied by Section 3 of this resolution would not require a further reduction.

It should be possible to achieve a great deal of the reduction by failing to fill vacancies which occur in great numbers. The chairman of the Civil Service Commission told the Committee earlier this year that the turnover rate has increased sharply in the last couple of years. He said that the "new hires" rate for fiscal 1968 was figured at 21 percent, involving some 788,000 employees.

In distributing personnel reductions required by this section, it is the intent of the Committee to require first reductions in departmental administration. The fountain-heads of the ever-increasing bureaucracy should sustain the first blow. In this context, departmental administration means those elements of cabinet offices (or offices of agency heads) and other subordinate offices which have responsibility for policy, planning, and general management of departmental (or agency) functions, i.e., that force which is engaged in general supervisory and administrative direction and control of the various field forces. In turn, field forces are those engaged either directly or indirectly in locally executing law or other delegated or assigned functions. This definition is somewhat more broad than the former "seat of the government", or current reporting on the basis of location within the Washington, D.C., metropolitan area. Significant headquarters organizations exist far from Washington, D.C., particularly, of course, Defense activities.

In making reductions in civilian employment, the section specifically provides that contract employment shall not be resorted to in substitution. Further, it is the intent of the Committee that military personnel are not to be assigned in substitution in the case of the Departments of Defense and Transportation.

#### SECTION 4—COST OF INCREASED PAY

Section 4 of the accompanying resolution simply provides for the absorption, by the Executive branch, of the added cost of such civilian pay increase as may be enacted. The bill pending before Congress (H.R. 7977), as voted by the House last week, is estimated to cost \$625,000,000 in the fiscal year 1968. That bill carried an amend-



ment requiring absorption of the cost of the pay bill in fiscal 1968 to the extent that it exceeded the President's cost estimate—an excess of some \$78 million. Section 4 of the accompanying resolution merely extends the absorption feature to the whole cost. Thus it is the intent of this section that the absorption be within aggregate amounts of appropriations and spending authority otherwise available during fiscal year 1968.

#### SECTION 5—RESEARCH AND DEVELOPMENT

In recent years the Federal Government has poured billions of dollars into public and private institutions and organizations, including colleges and universities, to finance research of one kind or another. In 1940, the Government spent only \$74 million for research and development. During World War II the research, development, and production cost of the atomic bomb was about two billion dollars over a period of about three years. We are now spending more than eight times that much in a given year. Since World War II, federal appropriations for research and development have gone up from about \$800 million annually to about \$17.5 billion.

The purpose of Section 5 of the resolution, the research and development provision, is to save some money and manpower at a time of fiscal crisis, force a reevaluation of research projects, the resetting of priorities, the deferral of projects not essential at this time, and the elimination of marginal projects. It provides a limitation on research and development activities of ninety percent of the budget estimates (as shown in Special Analysis I). Funds withheld from obligation under this section are rescinded.

The limitation is applied to budget estimates so as not to further reduce funds where appropriations have already been or will be reduced by ten percent or more. Reductions in specific programs and projects, made in the regular annual bills, are not to be restored in whole or in part in the reevaluation and resetting of priorities stemming from application of this section.

The impact of Section 5 on the Department of Defense is calculated to effect a total reduction of roughly \$340 million, including the \$164 million reduction already made by the Congress. The intention of the clause, excluding items "directly relating to the current military effort in Southeast Asia or directly relating to the development, test, and evaluation of specific weapons systems" is to exclude funds under "Operational Systems Development", "Engineering Development" and "Advanced Development". The phrase "Funds available to" means "Total obligational authority".

Specific savings to result from the application of this provision are dependent upon a number of factors including Congressional action yet to be completed on several appropriation bills. It can be assumed, with reasonable assurance, that as a result of the operation of this section additional obligational authority will be withheld to the extent of about \$325,000,000. House or Congressional action to date on the appropriation bills reflect reductions of just over \$1,000,000,000 in obligational authority in R. and D. areas. Thus, if House actions can be sustained, and this section is applied, total reductions in research and development will approximate \$1,325,000,000.

## SECTION 6—OFFICE OF ECONOMIC OPPORTUNITY

Section 6 provides that obligations incurred by the Office of Economic Opportunity under the authority of the continuing resolution may not exceed the rate that would be provided by an appropriation of \$1,400 million for fiscal year 1968. Without this special limitation the rate could be as high as that provided for by an appropriation of \$1,687,500,000, the sum appropriated for fiscal year 1967. The limitation related to \$1,400 million will provide for a continuation of the program at a funding rate approximately the same as that which has actually prevailed for the first 3 months of this fiscal year.

## SEPARATE VIEWS OF CHARLES S. JOELSON

I am of the opinion that this resolution, although commendable in its goal of achieving economies, has been insufficiently considered. It completely evades and ignores the urgent need to establish a system of priorities, and instead wields a meat-ax indiscriminately.

It could impede essential civilian activities in South Vietnam and also damage the effectiveness of vitally important programs at home. We simply have not considered in depth or detail the consequences of our action.

The preferable approach would be for each subcommittee of the Appropriations Committee to meet in emergency sessions, and to recommend reductions or recissions of those individual appropriations which can reasonably be sacrificed.

Despite the attractiveness of this type of fiscal "gimmickry" from a political point of view, a sense of responsibility impels me to oppose the resolution.









90TH CONGRESS  
1ST SESSION

# H. J. RES. 888

[Report No. 785]

---

## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 1967

Mr. MAHON introduced the following joint resolution; which was referred to the Committee on Appropriations

OCTOBER 16, 1967

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1968, and for other purposes.

1        *Resolved by the Senate and House of Representatives*  
2        *of the United States of America in Congress assembled,*  
3        That the joint resolution of October 5, 1967 (Public Law  
4        90-102), is hereby amended by striking out "October 23,  
5        1967" and inserting in lieu thereof "November 23, 1967".

6        SEC. 2. During the period beginning with the date of  
7        approval hereof and ending November 23, 1967, no  
8        executive department, agency, corporation, or other orga-  
9        nizational unit shall make any obligation for any new con-  
10       struction, research, demonstration, training, service, or similar  
11       project or activity not directly related to the current military

1 effort in Southeast Asia unless it is determined by the head  
2 of such department, agency, corporation, or other unit, under  
3 such overall guidelines as the President in his discretion may  
4 prescribe, that the project or activity requires obligations  
5 beyond administrative control, or involves the safety of  
6 human life or the protection of property, or involves the  
7 immediate welfare of individuals in cases where an appro-  
8 priation has been made to enable the United States to make  
9 payment of, or contributions toward, sums which are required  
10 to be paid to individuals either in specific amounts fixed by  
11 law or in accordance with formulac prescribed by law. No  
12 such department, agency, corporation, or unit shall make  
13 any obligation otherwise permissible for procurement of  
14 any goods or nonpersonal services that can, without im-  
15 pairing the national defense or welfare, be postponed during  
16 such period. No additional civilian personnel (or contract  
17 personnel in substitution therefor) shall be employed during  
18 such period unless it is determined by the head of any  
19 department, agency, corporation, or unit that it is necessary,  
20 within the limits of funds otherwise available, to do so in  
21 connection with the current military effort in Southeast Asia,  
22 the safety of human life, the protection of property, or for  
23 statutory positions the exact number of which is fixed by law.

24 SEC. 3. Funds available or becoming available to the  
25 several executive departments, agencies, corporations, and

1 other organizational units for obligation for civilian personnel  
2 compensation and benefits for the fiscal year 1968 (other  
3 than those relating to retired personnel, those directly relat-  
4 ing to the current military effort in Southeast Asia, those  
5 involving the safety of human life or the protection of prop-  
6 erty, or for statutory positions the exact number of which is  
7 fixed by law) shall not be available for such purposes beyond  
8 95 per centum of the amounts estimated therefor in the  
9 budget for 1968 (H. Doc. 15) as amended. Reductions pur-  
10 suant to this section shall be applicable on an individual  
11 appropriation or fund basis to the greatest practicable extent  
12 without impairing essential functions, and such reductions  
13 shall not be offset by substitution of contract personnel.  
14 Amounts withheld from obligation pursuant to the provisions  
15 of this section are hereby rescinded and shall be covered into  
16 the Treasury, and amounts so withheld from obligation under  
17 corporate funds are hereby rescinded and shall revert to the  
18 source from which derived.

19 SEC. 4. Appropriations and other funds available or be-  
20 coming available to the executive branch for obligation dur-  
21 ing the fiscal year 1968 for civilian personnel compensation  
22 and benefits, and for other purposes (other than those re-  
23 lating to retired personnel, those directly relating to the cur-  
24 rent military effort in Southeast Asia, those involving the  
25 safety of human life or the protection of property, or for



1 statutory positions the exact number of which is fixed by  
2 law), shall be apportioned for use over the fiscal year in  
3 such manner as to permit absorption, within the aggregate  
4 amounts available, of the additional costs (estimated at  
5 \$625,000,000) during the fiscal year 1968 of H.R. 7977,  
6 the Postal Revenue and Federal Salary Act of 1967, or simi-  
7 lar legislation if such is enacted into law.

8       SEC. 5. Funds available or becoming available to the  
9 several executive departments, agencies, corporations, and  
10 other organizational units for obligation for research and de-  
11 velopment for the fiscal year 1968, as defined in Special  
12 Analysis I accompanying the budget for fiscal year 1968  
13 (other than those directly relating to the current military  
14 effort in Southeast Asia or directly relating to the develop-  
15 ment, test, and evaluation of specific weapons systems),  
16 shall not be available for such purposes beyond 90 per  
17 centum of the amounts estimated therefor in the budget  
18 for 1968 (H. Doc. 15) as amended. Amounts withheld  
19 from obligation pursuant to the provisions of this section  
20 are hereby rescinded and shall be covered into the Treasury,  
21 and amounts so withheld from obligation under corporate  
22 funds are hereby rescinded and shall revert to the source  
23 from which derived.

1        SEC. 6. Appropriations made by Public Law 90–102, as  
2 amended, shall be available for activities budgeted under  
3 “Office of Economic Opportunity, Economic Opportunity  
4 Program” at a rate not in excess of that which would be  
5 provided for by an appropriation of \$1,400,000,000 for the  
6 fiscal year ending June 30, 1968.

90<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. J. RES. 888**

[Report No. 785]

**JOINT RESOLUTION**

Making continuing appropriations for the fiscal  
year 1968, and for other purposes.

By **Mr. MAHON**

OCTOBER 16, 1967

Referred to the Committee on Appropriations

OCTOBER 16, 1967

Committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed







# **DIGEST** of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 18, 1967  
For actions of Oct. 17, 1967  
90th-1st; No. 166

### CONTENTS

Animal research.....17	Forest highways.....1	Rural development....16,32
Appropriations.....1,13	Forestry.....14,29	Spending.....21,31
Buildings.....30	Holidays.....25	Taxation.....8,20,22
Census.....26	Job Corps.....7,33	Textiles.....24
Consumers.....23	Lands.....36	Tobacco.....37
Continuing appropriations.....1,13	Legislative program....13	Trade practices.....28
Economy.....20	Peace Corps.....9	Transportation.....1,2,27
Farm Bureau.....5	Personnel.....12,38	Travel.....12
Farm program.....3	Potato labeling.....18	Vehicles.....10
Food distribution.....4	Poverty.....7	Water resources.....15
Foreign affairs.....34	PPB system.....35	Wilderness.....14
Foreign trade.....6,24,34	Property.....11,19	
	Research.....17	

HIGHLIGHTS: House Rules Committee cleared continuing appropriations measure for debate today.

### HOUSE

1. APPROPRIATIONS. The Rules Committee reported a resolution for consideration of H. J. Res. 888, the continuing appropriations measure. ~~p. H13575~~  
By a 366-22 vote, agreed to the conference report on H. R. 11455, the Department of Transportation appropriation bill, which includes funds for forest highways. pp. H13468-87
2. TRANSPORTATION. Passed, 324 to 44, as reported H. R. 159, to create an independent Federal Maritime Commission. pp. H13487-521
3. FARM PROGRAM. Rep. Brown, Ohio, inserted a letter from a constituent claiming this Department has encouraged too much production. p. H13522
4. FOOD DISTRIBUTION. Rep. Smith, Okla., commended a county for discontinuing distribution of surplus foods to the unemployed. p. H13539

5. FARM BUREAU. Rep. Resnick reviewed "The Farm Bureau's business empire in Alabama." pp. HL3547-9
6. FOREIGN TRADE. Rep. Curtis announced that the Tariff Commission has begun a study of textile imports. pp. HL3530-1  
Rep. Whalen expressed concern that restrictions on imports would encourage other countries' restrictions on our exports. pp. HL3539-40  
Rep. Ashley expressed a similar concern and said U. S. negotiators were not "outwitted" during the Kennedy Round. pp. HL3561-2
7. POVERTY. Rep. Edwards, Calif., commended the poverty program in eastern Ky. pp. HL3549-53  
Rep. Helstoski inserted and commended a Veterans of Foreign Wars resolution favoring participation in the poverty program. pp. HL3568-9  
Rep. Patten commended the work of the Kilmer Job Corps Center, N. J. p. HL3569
8. TAXATION. Rep. Multer inserted Secretary Fowler's defense of the President's tax proposal. pp. HL3562-5
9. PEACE CORPS. The Foreign Affairs Committee voted to report (but did not actually report) S. 1031, to authorize appropriations for the Peace Corps for the fiscal year 1968. p. D924
10. VEHICLES. A subcommittee of the Government Operations Committee approved H. R. 10085, amended, to authorize GSA to prescribe regulations for air-conditioning Government vehicles. pp. D924-5
11. PROPERTY. A subcommittee of the Government Operations Committee approved S. 805, to authorize GSA to perform care and handling functions for excess real and related personal property. p. D925
12. PERSONNEL; TRAVEL. A subcommittee of the Government Operations Committee approved H. R. 9382, amended, to amend the authority to pay travel expenses of applicants invited to an agency in connection with possible employment. p. D925
13. LEGISLATIVE PROGRAM. The continuing appropriations measure is to be debated today, Oct. 18. p. D924

#### SENATE

14. FORESTRY. Conferees were appointed on S. 889, to designate the San Rafael Wilderness, Los Padres National Forest. House conferees have not yet been appointed. p. SL4880
15. WATER RESOURCES. Concurred in the House amendment, with an amendment, to S. 1788, to authorize the Interior Department to investigate and report on specified water resource development proposals. pp. SL4880-1
16. RURAL DEVELOPMENT. Sen. Young, Ohio, inserted a speech by Sen. Pearson favoring rural development and outlining some of the pending proposals. pp. SL4852-4
17. RESEARCH. Sen. Clark spoke in favor of insuring humane treatment of animals used in research but disagreed with the proposal to transfer this function to HEW. pp. SL4899-900

## CONSIDERATION OF HOUSE JOINT RESOLUTION 888

---

OCTOBER 17, 1967.—Referred to the House Calendar and ordered to be printed

---

Mr. COLMER, from the Committee on Rules, submitted the following

### R E P O R T

[To accompany H. Res. 949]

The Committee on Rules, having had under consideration House Resolution 949, report the same to the House with the recommendation that the resolution do pass.







# House Calendar No. 134

90TH CONGRESS  
1ST SESSION

## H. RES. 949

[Report No. 790]

---

### IN THE HOUSE OF REPRESENTATIVES

OCTOBER 17, 1967

Mr. COLMER, from the Committee on Rules, reported the following resolution;  
which was referred to the House Calendar and ordered to be printed

---

## RESOLUTION

1       *Resolved*, That upon the adoption of this resolution it  
2 shall be in order to move that the House resolve itself into  
3 the Committee of the Whole House on the State of the Union  
4 for the consideration of the joint resolution (H.J. Res. 888)  
5 making continuing appropriations for the fiscal year 1968,  
6 and for other purposes, and all points of order against said  
7 joint resolution are hereby waived. After general debate,  
8 which shall be confined to the joint resolution and shall con-  
9 tinue not to exceed two hours, to be equally divided and con-  
10 trolled by the chairman and ranking minority member of the  
11 Committee on Appropriations, the joint resolution shall be  
12 read for amendment under the five-minute rule. At the con-

1 clusion of the consideration of the joint resolution for amend-  
 2 ment, the Committee shall rise and report the joint resolu-  
 3 tion to the House with such amendments as may have been  
 4 adopted, and the previous question shall be considered as  
 5 ordered on the joint resolution and amendments thereto to  
 6 final passage without intervening motion except one motion  
 7 to recommit.

House Calendar No. 134

90TH CONGRESS  
1ST SESSION

**H. RES. 949**

[Report No. 790]

## RESOLUTION

Providing for consideration of H.J. Res. 888  
making continuing appropriations for the  
fiscal year 1968, and for other purposes.

By Mr. COLMER

OCTOBER 17, 1967

Referred to the House Calendar and ordered to be  
printed







# INDEX of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 19, 1967  
For actions of Oct. 18, 1967  
90th-1st; No. 167

### CONTENTS

Appropriations.....1,11	Forestry.....15,25	Repeal legislation.....13
Budgeting.....14	Foreign trade.....3,20,23	Rice.....4
Census.....28	Import quotas.....23	Rural development.....2
Continuing	Job Corps.....17	Spending.....5,18
appropriations.....1	Lands.....10	Standard containers.....13
Cooperatives.....16	Loans.....9	Textile trade.....20
Economic development.19,29	Milk.....12	Tobacco.....13
Electrification.....7	Naval stores.....13	Training centers.....26
Farm Bureau.....8	Pollution.....22	Transportation.....11
Farm credit.....9	Potash imports.....23	Water.....6
Fiscal affairs.....1,21	Potatoes.....4	Wool.....13
Flood insurance.....27	Reclamation.....24	
Forest highways.....11	Recreation.....25	

HIGHLIGHTS. House passed continuing appropriations measure. Senate committee ordered reported military milk program extension, and repeal of Standard Containers Acts, Tobacco Seed and Plant Exportation Act, Naval Stores Act, and Wool Standards Act.

### HOUSE

1. APPROPRIATIONS. Passed, 253-143, with amendment H. J. Res. 888, to continue until Nov. 23 the appropriations of agencies whose regular appropriation bills have not yet been enacted (pp. H13578-622). Agreed to, 239-164, an amendment by Rep. Whitten, in the nature of a substitute for the remainder of the joint resolution, providing that for fiscal year 1968, unless hostilities in Vietnam and Southeast Asia should cease earlier, Federal spending of appropriated funds except expenditures from trust funds by each department and agency, with certain exceptions not involving this Department, shall not exceed the amount expended during fiscal year 1967, provided that such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each department and agency not filling vacancies

(pp. H13617-20). Before being agreed to, the Whitten amendment was amended by the Bow, Broyhill (Va.), and Passman amendments. The Bow amendment, agreed to by a 192-131 vote, adds to the Whitten amendment a provision that net aggregate administrative budget expenditures during the fiscal year 1968 shall not exceed \$131,500,000,000, except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia (pp. H13615-9, H13618-9). The Broyhill amendment, agreed to by a 167-132 vote, limits OEO funds for 1968 to \$1,200,000,000 (p. H13619). The Passman amendment limits foreign-aid obligations to an annual rate of \$2 billion for 1968 (p. H13619). Rejected, 158-244, a motion by Rep. Kupferman to recommit the joint resolution (pp. H13620-1). Before the Whitten amendment was considered, several amendments were disposed of as follows: An amendment by Rep. Joelson, to require each member to submit a list of recommended reductions for his district, was ruled out of order (pp. H13592-3). An amendment by Rep. Ryan, to provide a simple continuing resolution without any provisos, was rejected by a 107-125 vote (pp. H13593-5). An amendment by Rep. Hays, to abolish the Appropriations Committee, was rejected (pp. H13608-9).

2. RURAL DEVELOPMENT. Reps. Saylor, Ruppe, and Evins, Tenn., recommended additional rural development to reduce the flow of population into the cities. pp. H13626, H13648-54
  3. FOREIGN TRADE. Rep. Curtis inserted and commended a Fortune article which "calls for clear and consistent economic foreign policy based on marketplace competition." pp. H13637-8
  4. POTATOES; RICE. Reps. Kleppe and Hansen, Idaho, criticized the Rice Council's advertising as being unfair to potato producers. pp. H13645, H13647
  5. SPENDING. Rep. Burke said too much Government spending is nonessential. pp. H13646-7
  6. WATER. Rep. Pepper commended Westinghouse in connection with water desalting in Saudi Arabia. pp. H13654-5
  7. ELECTRIFICATION. Rep. Johnson, Calif., commended the REA repayment record. p. H13667
  8. FARM BUREAU. Rep. Rosenthal said the Farm Bureau has been "jarred" by Rep. Resnick's criticisms. pp. H13668-9
  9. FARM CREDIT. Both Houses received from FCA proposed bill "to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended"; to House Agriculture Committee and Senate Agriculture and Forestry Committee. pp. H13673, H14908
  10. LAND. The Agriculture Committee reported without amendment S. 219, to authorize this Department to sell a land tract in Lander, Wyo. (H. Rept. 792). p. H13673
- SENATE
11. APPROPRIATIONS. Agreed to the conference report on H. R. 11456, the Department of Transportation appropriation bill, which includes funds for forest highways. This bill will now be sent to the President. pp. S14942-7
  12. MILK. The Agriculture and Forestry Committee ordered reported (but did not actually report) with amendment S. 2179, to extend for 3 years the milk program



# House of Representatives

WEDNESDAY, OCTOBER 18, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*When you pray, say, Our Father.—*  
Luke 11: 2

Eternal God, our Father, who has set eternity in our souls, the spirit of love in our hearts, and a song of praise on our lips, in the quiet hush of this moment we bow at the altar of prayer.

We come at the call of our President to pray and to pray for the people of our land. Pour out Thy spirit upon us and join us together in greater loyalty to our Nation, in greater justice to our fellow man, and in greater faith in Thee. Keep us faithful in the defense of freedom, and with courage and confidence may we preserve and promote the blessings of liberty everywhere.

Enlighten the minds of our people that we may work together to remove inequalities, to reduce friction, to renounce prejudice, and by the strength of Thy spirit may we foster an increasing good will in the hearts of all. Help us to take the law into our hearts and not into our hands and to respect the rights of all men. In the Master's name we pray. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S.J. Res. 112. Joint resolution extending the time for filing report of Commission on Urban Problems.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 1788) entitled "An act to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource developments," with an amendment in which concurrence of the House is requested.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 889) entitled "An act to designate the San Rafael Wilderness, Los Padres National Forest, in the State of California," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. ANDERSON, Mr. CHURCH, Mr. KUCHEL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the

Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the Joint Select Committee on the part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States numbered 68-5.

## CORRECTION OF VOTE

Mr. BYRNE of Pennsylvania. Mr. Speaker, on rollcall No. 316 I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## CORRECTION OF VOTE

Mr. NIX. Mr. Speaker, on rollcall No. 316 I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## CALL OF THE HOUSE

Mr. JOELSON. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 317]

Boggs	Jonas	Rees
Bolton	Jones, Mo.	Sandman
Broomfield	Kazen	St. Onge
Button	Laird	Smith, N.Y.
Culver	Landrum	Stephens
Dawson	Latta	Talcott
Ford,	Moorhead	Teague, Tex.
William D.	Morton	Utt
Fountain	Patman	Williams, Miss.
Hébert	Pool	Willis
Herlong	Rarick	

The SPEAKER. On this rollcall 400 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## SEIZURE OF FOREIGN VESSEL ILLEGALLY FISHING IN ALASKAN WATERS

(Mr. POLLOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POLLOCK. Mr. Speaker, I take this occasion to advise my colleagues in the Congress that for the fourth time this year the U.S. Coast Guard has seized a foreign vessel in Alaskan waters fishing illegally.

This morning the U.S. Coast Guard cutter *Confidence* seized the 160-foot *Eitan Maru* No. 248, a 533-ton, longline fishing vessel. The *Eitan Maru* at the time of seizure had a cargo of 2½ tons of halibut, 4 tons of perch and 100 tons of black cod.

This is a case of first instance in that the Japanese vessel was not seized within the 3-mile or 12-mile limits of U.S. waters off the coast of Alaska, but was rather seized on the high seas, 60 miles southwest of Middleton Island because of violation of the International Convention for the High Seas Fisheries of the North Pacific Ocean.

The violation of international law concerned the catching of halibut in these waters. Apparently the vessel had many skates of longlines out, for the *Confidence* had to stand by for a period of 10 hours after seizure while the gear was retrieved and hoisted aboard.

Under terms of the International Convention, the seized vessel is to be taken to a port mutually agreed upon by the seizing nation and the nation of the violator, at which point the officers and crew under arrest and the seized vessel are turned over to authorities of the country whose flag the violating vessel was flying. In other words, the skipper and crew and the *Eitan Maru* No. 248 will be turned over to Japanese authorities for prosecution of both their internal and international law. It is estimated that the seized vessel will arrive in Kodiak, Alaska, sometime tomorrow morning.

It is obvious that these fishing violations are of a serious nature, there have now been two Russian violations and two Japanese violations. It is my feeling that the State Department should follow this matter closely to insure that the master of the vessel is severely fined and punished for this international violation.

## ALASKA DAY

(Mr. POLLOCK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. POLLOCK. Mr. Speaker, I take great pleasure in advising my colleagues



in the House of Representatives that today is Alaska Day and the 100th anniversary of the occasion in Sitka when the flag of Imperial Russia was lowered and the American Stars and Stripes were raised gloriously over Alaska. By reason of the purchase agreement which was executed on March 30, 1867, Russian-America was turned over to the U.S. authorities on October 18 of that same year. The purchase price was \$7.2 million, unquestionably one of the most significant real estate bargains in all of American history.

In contrast to the purchase price of \$7.2 million, we have extracted untold wealth from the land and adjacent waters of Alaska. As an example, the value of gold taken from Alaskan soil for the period of 1880-1966 was \$752 million, and since statehood in 1959, we have extracted \$30 million of gold. The value of coal mined from 1880 to 1966 was \$150 million, and \$50 million of this figure has been since statehood. Oil and gas production since statehood totals \$200 million. Timber harvested in the period 1950 to 1966 amounted to \$560 million, \$400 million of which has been since statehood. Agricultural products amounted to \$66 million in the years 1953 to 1966, \$45 million of which has been since statehood. And, finally and most impressive, fisheries resources between the years 1950 to 1966 have brought Alaska \$1,760,000,000, a spectacular \$1,000,000,000 of which has been since statehood.

At this historic centennial celebration of the changing of the colors, we should all remember the wisdom, the tenacity and the foresight of a truly great American, William H. Seward, the Secretary of State under Abraham Lincoln and President Andrew Johnson.

#### JET SALES TO LATIN AMERICA

(Mr. WIDNALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIDNALL. Mr. Speaker, the apparent decision on the part of the administration to sell supersonic jet fighter bombers to Latin American nations is indeed disturbing to all who are familiar with the economic needs of these countries.

It seems a shame that the aggressive arms sales policy of France has forced this policy shift, stemming from the announced decision on the part of Peru to purchase a dozen supersonic French Mirage V fighter bombers. Once again, the tragic drift of United States-French relations is further reducing our foreign policy to one of reaction and adaptation.

Nevertheless, we have made at least some progress. Were it not for the fact that a majority of the Members of the House and Senate have expressed themselves in opposition to past administration arms credit sales procedures, the changes are this significant decision to supply Northrop F-5's to Latin countries would not have been revealed until months after actual delivery of the aircraft. Judging from news reports and information I have been supplied, any

supersonic jets supplied to Latin America are not likely to be facilitated by secret country X credit sales through the Export-Import Bank. The mere existence of public disclosure and debate over United States-Latin America arms sales policies resulting from French insistence to peddle sophisticated military aircraft to this hemisphere hopefully will create pressures aimed at resolving the problem before it gets out of control.

Mr. Speaker, more and more it appears that the avoidance of a dangerous Latin-American arms race depends upon hemispheric policies adopted on a voluntary basis by the Latin nations themselves. A hemispheric arms purchase quota must be placed high on the agenda for future diplomatic negotiations.

Without this, U.S. contributions to the Alliance for Progress and such other institutions as the Inter-American Development Bank will sustain deep cuts, if not termination. Such undesired consequences will not result from congressional or administration reaction as much as from the justified anger of U.S. taxpayers.

#### CONTINUING APPROPRIATIONS, 1968

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 949 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 949

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes, and all points of order against said joint resolution are hereby waived. After general debate, which shall be confined to the joint resolution and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. ALBERT). The gentleman from Mississippi [Mr. COLMER] is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield the customary 30 minutes to the minority side, to the distinguished gentleman from California [Mr. SMITH], pending which I yield myself such time as I may consume.

Mr. Speaker, this is the third time that this matter of a continuing appropriation resolution has come up for consideration in this session of the House. It is a very complex and a very perplexing matter. On the previous occasion when this subject was before us, I addressed the House at some length on the necessity for some action to limit expenditures which had reached astronomical figures as the re-

sult of new programs and the policy of both butter and guns.

I shall not belabor the issue today. I can only express the hope that some meaningful action will be taken by this body today. It is one that is giving this House very much concern, and one which has given this particular humble Member of this House very much concern.

Mr. Speaker, when all is said and done, regardless of the many suggestions and approaches that have been made to the problem which confronts us, there is one thing we can all agree upon. I believe, which is that the time has arrived, as I said on previous occasions when a similar resolution was under consideration, for us to fish or cut bait.

The attitude of the country is reflected here in this House on both sides of the aisle. This group is representative of the people, as prescribed by the Founding Fathers. It is the group or the body of the Congress which is closer to the people, and the people are demanding some retrenchment, some cutbacks, some economy in the operation of the Government.

This resolution, Mr. Speaker, provides for 2 hours of general debate. It provides an open rule. Unlike on previous occasions, any germane amendment can be offered, because the rule waives points of order.

I believe we might expect here in the consideration of this resolution and under the 5-minute rule that a number of approaches to this problem will be presented.

Frankly, I have no particular program on how this should be done. I am for it being done. I am no new advocate of economy and retrenchment in Government, as this House knows.

Mr. Speaker, I do not believe that the House should dodge its responsibility or that the Congress should dodge its responsibility and delegate to the President the right or the duty of making these cuts. Badly as I want to see some economy and retrenchment, I still adhere to my former opinion that this is the responsibility of the Congress. The Congress of the United States is responsible for the condition we find ourselves in today and not the executive department, because, as I pointed out before, the President could not spend one dime if the Congress did not authorize it and appropriate the money. The responsibility is ours.

Mr. Speaker, I reserve the remainder of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

#### CALL OF THE HOUSE

Mr. RESNICK. Mr. Speaker, I made the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. ALBERT). Evidently a quorum is not present.

Mr. MOSS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.



The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 318]

Anderson, Ill.	Harvey	Morton
Ashbrook	Hébert	Patman
Boggs	Herlong	Pirnie
Bolton	Ichord	Pool
Broomfield	Jonas	Rarick
Button	Jones, Mo.	Rees
Culver	Kazen	St. Onge
Dawson	Kleppe	Stephens
Diggs	Laird	Teague, Calif.
Fountain	Landrum	Utt
Grover	Latta	Williams, Miss.
Halpern	Moorhead	Willis

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 397 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### CONTINUING APPROPRIATIONS, 1968

The SPEAKER pro tempore. The gentleman from California [Mr. SMITH] is recognized.

Mr. SMITH of California. Mr. Speaker, here we go again. We have been up and down this mountain two or three times this year, taking a different trail each time. It looks as though we will take a different trail today to reach the top of the mountain on our resolution continuing appropriations.

You will remember that a couple of weeks ago a resolution was offered which would extend the date to October 10. That was about 1 week more in time as of the day we considered that particular resolution. Just prior thereto we had considered the so-called Bow amendment, the language in two sections which would place a ceiling on spending of some \$131.5 billion. This would not have been germane to simply a continuing date. Those of us who supported the Bow amendment in the Rules Committee attempted to make a rule in order so that it could be considered, but we were not successful, with the result that it was offered, on a motion to recommit. It failed by some eight votes at that particular time.

The particular resolution passed, went to the other body, the date was changed to October 23, which is next Monday, and it was accepted here in the House.

The resolution before us today, House Resolution 949, will permit the consideration of the continuing resolution, House Joint Resolution 888.

The resolution on the rule provides for 2 hours of debate. It is an open rule. Any amendments which are germane can be considered, and in my opinion the Bow amendment will be in order as an amendment to House Joint Resolution 888. As I understand it, it will be offered and subsequent thereto, if unfortunately it loses, it will be the basis for the motion to recommit.

Points of order are waived in the rule. This was because the Ramseyer rule was not completely conformed with, and also this is legislation in an appropriation bill and the waiver is appropriate.

This particular resolution goes a little further than just dates. There is language in here which purportedly will reduce expenditures by about \$1.5 billion.

The Appropriations Committee has prepared a summary of the various cuts. I do not know if it is available for distribution, but they very kindly presented it to the Rules Committee. I will not try to summarize those, because the gentlemen on the Appropriations Committee are much more qualified to do so, but it has to do with halting certain projects between now and November 23, Thanksgiving Day, which is the date of the extension of the resolution, with certain reductions in poverty programs, and certain other language therein having to do with absorbing some of the salary increases.

It is my personal opinion that this is a step in the right direction, but I do not think it will be very effective unless the Bow amendment is added to it, because otherwise there would be this cut today, and then would come more spending, and then we would have the supplemental appropriation to take care of the supplemental spending. So unless we have a ceiling, we will continue to go uphill, which we will have to face some time in the future.

The Bow amendment will be offered.

There are 2 hours of debate provided under this rule. It is a joint resolution. It will have to be passed by the other body, and eventually it will have to be signed by the President. I think it will be a very interesting experience between now and when final action is taken on this resolution.

I certainly hope that the date of November 23 does not mean we will be back here with a Christmas extension the next time. I hope maybe we can start winding up the year and get home by Thanksgiving this year.

Mr. Speaker, I do not have any requests for time and I know of no objection to the rule.

Mr. COLMER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 888), making continuing appropriations for the fiscal year 1968, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Ohio, [Mr. VANIK] as Chairman of the Committee of the Whole, and requests the gentleman from Illinois [Mr. ROSTENKOWSKI] to assume the chair temporarily.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 888), with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN pro tempore (Mr. ROSTENKOWSKI). Under the rule, the gentleman from Texas [Mr. MAHON] will be recognized for 1 hour, and the gentleman from Ohio [Mr. Bow] will be recognized for 1 hour. The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I am intrigued by the number of the House joint resolution now before us—No. 888. This would indicate to me that in the House perhaps we are behind three "8" balls.

#### THE FISCAL PROBLEM

We have had some very serious problems and debates in regard to Government appropriations and spending in recent weeks, which is in my judgment very healthy, because I, for one, am for reducing appropriations. I am for reduced spending through reduction of appropriations wherever that can safely and reasonably be done.

I believe that since the January budget was presented and since action has been taken on many other bills, the worsening fiscal situation calls for the elimination of some Government spending which under more normal times would be highly desirable. We have to look at the fiscal picture in the light of October 1967, not in the light of January 1967.

In January 1967 the picture was not good, speaking from a fiscal standpoint, but since that time the picture has darkened. The President has announced that defense spending might go \$4 billion higher than was anticipated at that time. There are indications that revenues will be less than then estimated. There is every indication that the President's announcement of considerable increased spending for the war is probably correct and to some extent spending is increasing otherwise.

It has been estimated that the Government may go in the red during the current fiscal year by as much as \$29 billion, which would mean that the Government would have to go out and borrow \$29 billion to cover the deficit. Such action would have a tremendous economic impact, a very unfavorable and perhaps to some extent disastrous impact.

In view of this, we need to cut appropriations as much as we reasonably can.

#### SUMMARY OF THE RESOLUTION

So we bring to the House today a continuing resolution, which includes some recisions, some further reductions. The further reductions in appropriations made by this resolution are estimated at approximately \$1½ billion. This is what we estimate it would achieve.

If enacted, this would bring reductions in appropriations, by the House for fiscal year 1968, at this session of Congress, to about \$7.5 billion. That would be the total in bills already acted on by the House and the estimated reduction in bills yet to be acted upon by the House.



So it seems to me we are reacting to the exigencies of the moment by undertaking to make further reductions.

Final action has not been taken on many of the major appropriation bills, so we could not bring in a line item recision bill of that type, because the amounts have not been finalized. We believe we have done the best we could under the circumstances.

As chairman of the Appropriations Committee I personally promised the House that I would undertake to bring in a recision bill last week or this week. We have kept our promise and we have brought in the bill. It is regrettable that we have been obliged to bring it in at this time. It would be more appropriate to bring in specific item recisions at the time we consider the final supplemental, but apparently the will of the House is that some form of reduction be considered now, so we will consider the matter now rather than at the time of the final supplemental.

What we have sought to do in this resolution is to give the House of Representatives an opportunity, a vehicle on which to work its will.

We have proposed additional reductions in civilian personnel, as shown in the report, which we estimate would save roughly \$560 million.

We provide for absorption of the entire pay increase voted by the House last week in case a pay increase becomes law. That is \$625 million, on the basis of the House passed pay bill, another very substantial savings.

We have provided for additional reductions in research and development areas, which we estimate would save roughly \$325 million.

In appropriation bills thus far we estimate we have already cut research and development, in the areas affected by the resolution, by about a billion dollars. More than half of that was in the space program, because all of the space program is considered research and development.

This is a brief summary of the action proposed. The resolution is before the Members. The report is before the Members. I would hope that the Members would carefully read the joint resolution. It is a little technical in wording, but it is not too difficult upon a second or third reading. I believe the report is rather clear.

Frankly, I believe the Members will want to make some improvements in the pending measure. There will be some discussion of the problem confronting the Post Office and the problem confronting the Internal Revenue Service. We will want to discuss that. I am disturbed about it and I feel adjustments must be made. We want to do whatever is best for the United States of America as we proceed during the afternoon.

I should like to say, as to amendments which will be offered, after they have been discussed somewhat I shall move that the debate close, after we have had an opportunity for a reasonable amount of debate. We have been over this ground, much of it, several times in recent days.

I hope we can proceed with dispatch to the passage of this bill.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. PEPPER. I ask the able chairman, in respect to the cuts in research and development to which he averted, is any cut proposed for the research funds in the National Institutes of Health?

Mr. MAHON. Yes. It would apply to the National Institutes of Health as well as to other areas of research.

Mr. PEPPER. Does the able gentleman, if he will yield further, recall what the cut is that is proposed in the NIH research funds?

Mr. MAHON. No. I do not have the figure as to what that reduction would be. There would be some flexibility in the assignment of these cuts within the department or service, for example.

Mr. PEPPER. And there would be half a billion dollar cut in the space program's research and development?

Mr. MAHON. We, in the House, have already approved a half-billion-dollar cut in NASA, in the regular bill.

Mr. PEPPER. Does the able gentleman take into account in making that cut the announcement in the morning paper that the Russians just soft landed an instrument on Venus and we have not even gotten ours into the vicinity of Venus yet? Also one of the authorities of the space program said that we would not be able, if these cuts are made, to continue that area of exploration and development.

Mr. MAHON. The gentleman is familiar with this, but I might remind him that the reduction has already been made in the regular NASA appropriation bill.

Mr. MACGREGOR. Mr. Chairman, will the distinguished gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. MACGREGOR. I have listened with great interest to the chairman of the Committee on Appropriations describing our continuing resolution today. I have read with great interest the committee report. I notice on page 5 of the report that reference is made to discussions within the Committee on Appropriations of the possibility of recisions. The distinguished chairman spoke in this Chamber on October 3 on the hopes he had of recisions and talked about the opportunity of making a recision today.

I also listened to the colloquy between the gentleman from Florida and the gentleman from Texas on the possibility of rescinding some of the research money for the National Institutes of Health. I have this question for the chairman: Does this continuing resolution offered today provide any recision of funds for the development of the civil supersonic transport aircraft?

Mr. MAHON. I was momentarily distracted. Will the gentleman rephrase that question as to the supersonic transport, please?

Mr. MACGREGOR. Yes. I understood the distinguished chairman of the Committee on Appropriations in response to the gentleman from Florida [Mr. PEPPER] to say that the resolution now before us could result in a cutback of research funds for the National Institutes of

Health. My question is, Could the resolution before us provide any cutback in the development funds for the civil supersonic transport aircraft?

Mr. MAHON. These funds have been provided in previous years. No funds have been provided for fiscal year 1968 by this Congress, because the bill has not been fully enacted into law and approved by the President.

Mr. MACGREGOR. Will the gentleman yield further? I understand this body has passed in an appropriation bill for the Department of Transportation an appropriation of \$142,375,000 for fiscal year 1968 for the development of the civil supersonic transport aircraft and further understand that the Senate passed and approved an identical figure. I understand, because I was here all during the debate on yesterday, that that amount was not in conference.

Mr. MAHON. That is right.

Mr. MACGREGOR. Because there was no disagreement between the House and Senate figures in the Department of Transportation appropriation bill. I understand that the conference committee has not yet reached agreement finally on the supersonic transport aircraft item in the Department of Transportation bill. I think I understand all that, Mr. Chairman, but what I am getting at is this: Do I understand that we have before this Committee today the possibility of cutting funds for research for the National Institutes of Health but that we have no possibility in the resolution before us of cutting the funds for the development of the civil supersonic transport aircraft? Is that correct?

Mr. MAHON. In my opinion that is not correct. These funds—

Mr. MACGREGOR. Mr. Chairman, if the gentleman will yield further, wherein do we find in this continuing resolution any cutback of funds for the development of the civil supersonic transport airplane?

Mr. MAHON. We made a cut in research, Government-wide, and in all agencies. That cut would have to be applied agency by agency.

There is no specific cut here for the SST. But it could be cut as a result of the action which has been taken.

Mr. MACGREGOR. I thank the chairman.

The CHAIRMAN (Mr. VANİK). The time of the gentleman from Texas has again expired.

Mr. BOW. Mr. Chairman, I yield myself such time as I may consume.

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Chairman, today, for the first time, I can stand here and tell you that I believe we have a real chance to make substantial reductions in Federal spending in the coming year.

The fact that the majority on the Appropriations Committee has developed four spending curbs in this continuing resolution is very significant. It means that those of us who have stood here all year and argued for economy are receiving constructive support from the other side of the aisle. This is what I urged in private talks with the gentleman from



Arkansas [Mr. MILLS] and the gentleman from Texas [Mr. MAHON], my own chairman, over a month ago. It is gratifying to me and it will be glad news to the people of America to know that we are working together now to attack this problem.

My mail has been heavy with congratulatory letters from all over the country since our debate here September 27, when the House voted to recommit the October continuing resolution.

As all of us recall, that rejection of "spending as usual" followed an afternoon of debate on my resolution providing an absolute ceiling of \$131.5 billion on 1968 spending, and rescinding to the Treasury \$5 billion. The Associated Press, among others, interpreted that recommitment vote as a mandate to the committee and the House to cut spending at least \$5 billion.

Most of my mail asks why we stop with \$5 billion. The people of this country believe that we are spending far too much. Almost every citizen can cite evidences of wasteful Government spending. They see it in a local project or office, and they reason that it must be occurring in other areas, and they want economy in Government. The Harris poll this week shows 73 percent want cuts in Federal spending.

The debate since September 27 has been fruitful, as evidenced by the pending resolution. I continue to insist, however, that this resolution does not go far enough and I will offer again my overall expenditure limitation of \$131.5 billion.

First, however, I wish to discuss the resolution and point out how far we have come since the economy debates in the spring, when my efforts to establish significant expenditure limitations were defeated time and again in the House.

In those debates the Bow expenditure limitation was hotly attacked by the majority as a meat-ax approach to economy and, except for the two instances mentioned, it was rejected out of hand.

Now we are in a much different atmosphere.

Section 2 of the resolution provides a 30-day moratorium on new obligations not essential to the Nation's defense or welfare. This offers a badly needed opportunity to review priorities. I pointed out some time ago that the administration was spending in July and August at an annual rate of \$145 billion, \$20 billion more than the 1967 rate. Perhaps this 30-day moratorium on new contracts and new hiring will give us a chance to stop our headlong dash into the biggest spending program in our history.

Section 3 applies to civilian personnel of the Government the spending limitation which was offered as the Bow amendment to six of the 12 appropriations bills thus far considered in the House. The Bow amendment said that the agency could spend only 95 percent of the money proposed to be spent in this fiscal year. The pending resolution would limit civilian personnel expenditures to 95 percent of the budget estimate.

Parenthetically, I may say that applying the 95 percent expenditure limitation to personnel expenditures only is much more difficult to administer than a general 95 percent limitation applied to all

of the agency or department concerned. Under the language of the resolution, it will require major personnel reshuffling to accomplish the desired saving in the 9 months remaining in this fiscal year. A straight prohibition on new hiring, or a personnel ceiling to be accomplished through attrition, would accomplish the same purpose over a period of time without requiring reductions in force and thousands of personnel changes. Moreover, since the limitation is applied against the budget estimate, this procedure imposes a heavier burden on the agency that budgeted carefully with few requests for new jobs and a much lighter burden on the agency that asked for many new positions. However, since this is the method selected by the majority to accomplish a significant reduction, I will support it.

Section 4 requires that the Federal agencies absorb the cost of the pay increase which the House passed a few days ago. I voted against that pay increase because I considered it a reckless additional burden on an already overstrained economy. Absorption of the cost will help to alleviate that burden.

Section 5 of the resolution again employs the Bow amendment principle and requires a 10-percent reduction in expenditures for research not directly connected with our military effort. This is a prime area for economy. The cut here could be much larger, but we are pleased to have agreement on even a 10-percent reduction.

Having embraced the Bow limitation in this resolution, I hope the majority will accept it if I offer it to the foreign aid bill later in this session.

The resolution would be complete if the committee had accepted as section 6 my amendment to provide an ironclad expenditure limitation on all Federal activities, except the purely military.

The provisions of the pending resolution leave the door ajar to the experts in budget juggling. All of us here should know how quickly any opening is exploited in the bureaucracy. We should slam the door shut and lock it by saying "you may spend this much and no more, and the savings go back into the Treasury." That is the only kind of limitation and the only kind of language that will be understood and will be effective in applying a realistic ceiling on this soaring budget.

Mr. Chairman, Sunday's newspaper column by Evans and Novak singled out the gentleman from Arkansas [Mr. MILLS], the gentleman from Texas [Mr. MAHON], and the gentleman from Ohio, myself, as objects of special attention from President Johnson. According to these astute reporters, who seem to have ears at every keyhole, the President told 12 Democratic Senators that he was displeased with the notorious trio I have mentioned because we were interfering with his spending and taxing plans and he was going to get retribution by stopping Federal projects in our districts.

I am more than a little surprised by this report, for it does not sound like our President, whom I remember so well as the Senator from Texas when he was chairman of the Subcommittee on Appropriations for the State Department

and we met many times in conference committee on the budgets for that Department and others. In those days the Senator from Texas, now President Johnson, had a sharp pencil and we agreed on many budget cuts. I can recall Senator Johnson telling us and telling the Senate that he was trying to help the President, General Eisenhower, practice economy. That is what we are trying to do now. We are trying to help President Johnson practice economy, for he has said he is for economy, and I find it hard to believe that his memory is so short or that circumstances are so changed as to create in his heart a desire for revenge against those of us who seek to help him practice economy.

With respect to the pending resolution, as I pointed out here a few days ago, Senator Johnson, now our President, suggested in 1957 that a "4-, 5-, or 6-percent cut" in each of the appropriation bills might be an appropriate economy device. The RECORD reveals that he discussed it with several of his colleagues and they agreed to try to work out a formula. I do not find that they ever did so, but I have done so and the House accepted the Bow 5-percent expenditure limit on the appropriations bills for State, Justice, Commerce, and the Judiciary and for the Transportation Department. This is the formula that the committee has developed in section 3 of this resolution, with regard to civilian employment, and section 5 with regard to research.

Inasmuch as the President himself, when in the Senate, advanced this proposal for saving money, I do not understand why he would reject it nor why he would seek retribution against the Members who propose this economy.

In another debate in the 1957 economy drive, Senator Johnson, now our President, suggested that the Appropriations Committee should seriously consider a 5- or 10-percent decrease, leaving it to the President to determine where the cuts should be made.

We find Senator Johnson expressing the thought in these words:

Perhaps the Appropriations Committee should seriously consider, when it deals with the appropriation for the Department of Defense—giving to the President and to the Secretaries what they have requested and then stating, "We direct you, as a part of the fiscal policy of the United States, for which we have a responsibility, to set up a system of priorities which will result in a saving or an economizing of a specific percentage"—perhaps 5 percent or 10 percent.

Again, this is what the Bow expenditure limitation, both on the bills on which I have offered it and on the overall budget, is trying to say to the President and to the Secretaries.

I do not believe that Lyndon B. Johnson, having endorsed the suggestion 10 years ago as a Senator earnestly trying to cut President Eisenhower's budget, would now oppose the same suggestion from Members of the House.

Senator Johnson, now our President, was greatly concerned about the growth of the budget and of the Federal payroll under President Eisenhower's administration. He noted that the number of Federal employees had jumped from 900,000 in 1939 to 1,900,000 in 1949 and



that expenditures went up from \$9 to \$39 billion in that period. He pointed out that the 1958 budget proposed 2,400,000 employees and expenditures of \$71,800,000. In all fairness, he also pointed out that the dollar did not buy as much in 1957 as it did in 1939, but he was, nonetheless, expressing alarm. I am certain that President Johnson will forgive us for expressing alarm when we see his budget proposing \$136.5 billion with 2,800,000 employees.

He said:

Like many of my colleagues on both sides of the aisle, I shall apply myself to the task of scrutinizing each penny that we appropriate. I shall attempt to reduce items that I think should be reduced, and eliminate items that I think can be postponed, in the hope that Congress can still control the purse strings.

That, of course, is precisely what we have been trying to do here.

Like Senator Johnson 10 years ago, we must in all fairness point out that the dollar does not buy as much as it did in 1959. Things do cost more. But they do not cost twice as much, and President Johnson's agencies, I remind you again, were spending at an annual rate of \$145 billion during the first 2 months of this fiscal year. That is over twice the spending that Senator Johnson was deploring in the Senate economy debate of 1957.

The actual increase in prices since the change of administrations in 1961 and apply this percentage allowance for inflation and add the cost of the Vietnam war, Federal expenditures this year should be about \$125 billion. They are running at a rate of \$20 billion more than that. I am suggesting that we limit expenditures to \$131.5 billion, which is \$6 billion more than any increase justified by both war and inflation and \$6 billion more than we spent in the last fiscal year. No reasonable person could say that we were underspending in the last fiscal year. It would be reasonable to hold spending to that level. But we are not insisting on that, because it has appeared to be impractical and impossible to establish such a limitation. We are asking for \$131.5 billion as a ceiling.

Going back again to the famous debates of 1957, the Senate majority leader who is now the President of this Nation told us that "this Government operated with stature and efficiency and it commanded the respect of the world with 900,000 employees in its highest peacetime year during the Roosevelt administration. We now have exactly a million and a half more employees than were required then." His statement appealed to me then and it does now. This Government operated with stature and efficiency and it commanded the respect of the world with about 2,000,000 employees in 1957. I think it can still do so today. Certainly we have added nothing to our efficiency and very little to our stature and we have lost respect in other parts of the world during the past few years when almost 2,500,000 civilian employees were on the Federal payroll.

The pending resolution will help us to reduce this swollen payroll. Any indication that we are making a serious effort to manage our spending will enhance the respect with which we are regarded, and

I may say that it could be a very important contribution toward the future integrity of the dollar.

Now, let us review the situation.

As I said on the floor a few days ago, there are at least four ways to cut Government spending.

Approval of this resolution today will accomplish reductions or avoid expenditures of \$1.4 billion.

Adoption of my amendment to place an absolute ceiling of \$131.5 billion on spending will require the President to cut his spending plans by \$5 billion.

The appropriations reductions recommended by the House to date are in the neighborhood of \$4 billion and I am happy to see that our committee agrees in this report that we should end the session with total appropriation reductions of almost \$6 billion. Allowing for some slippage in the bills reported by the other body, and on some of the bills this year the other body has been most cautious, we can expect to show savings in this fiscal year of \$2 to \$3 billion from the appropriations process.

Thus, we are approaching rapidly today the goal of \$10 billion which many have mentioned as the desirable, maximum, feasible cut in Federal spending for the fiscal year.

The committee report points out that it is difficult at this time to consider rescissions inasmuch as more than half of the appropriation bills are still in process. This means that the time has come for some cooperation from the White House.

In the debates to which I have referred in 1957, the Senator from Texas, who is now our President, made this reference to President Eisenhower:

The President, at first, made statements which seemed to indicate sympathy for this attitude.

He was referring to the economy drive in Congress. He continued:

He invited Congress to look into the budget and find out where it could be cut.

It was only later . . . that the President came to the conclusion that big cuts could not be found.

History has repeated itself in that President Johnson has made many statements throughout the spring and summer in which he indicated sympathy for our economy efforts and pledged that his departments would seek out every possibility of saving. I am reluctant to believe that he has come to the conclusion that big cuts cannot be found. I am hopeful that we can rely on the many reports from usually reliable sources to the effect that the departments have given the White House memoranda showing where five and ten percent savings may be made. At this time, I call on the President to give this instruction and guidance to Congress. Help us to do what remains to be done in respect to the appropriations still not completed and the rescissions we hope soon to undertake.

Here in the House during those same debates our distinguished Speaker called upon President Eisenhower to give Congress a list of priorities.

Everyone knows that there must be an order of priorities in Federal spending, just as there is in our own family spend-

ing. If the carpet is worn out and we are planning to replace it and about that time the refrigerator breaks down, how do we spend our limited funds for home improvements? We get a new refrigerator, of course. A refrigerator has higher priority than a carpet. Let us have from the President a list of projects, numbered one, two, three, four and so on down the line for each agency so that we can look at the priorities and defer or eliminate the nonessential or the less pressing items.

Rescissions are not a new idea to President Johnson. In 1959, as the Senate majority leader, he commented on the \$10 billion unobligated carryover funds in the Eisenhower budget and he said:

I also suggest, though I have not explored this carefully, that the Committee on Appropriations give consideration to the possibility of conducting inquiries into the unobligated balances, so that if it appears that certain rescissions can be made, the committee can so recommend to the Congress. 2/9/59 2099

If Senator Johnson thought such a course was feasible and advisable when the administration showed a \$10 billion carryover, surely he would be even more inclined to go along today when his administration has over \$50 billion in its bank account, unobligated and ready to be spent.

If President Johnson refuses this assistance, I think the House might well consider as a last resort the policy suggested by Senator Johnson for the U.S. Information Agency in 1957 when that agency appropriation was the subject of bitter debate.

Senator Lyndon B. Johnson described his committee's recommendation as follows:

Some suggestion were made that we should provide the amount of the House figure, \$106 million. As chairman of the subcommittee, I asked the members to consider the fact that this administration had been in office 4 years, and that in 3 of those 4 years there had been appropriated for the USIA sums in the 70 millions, in the 80 millions, and in 1 year \$113 million. The 4-year average was \$90 million. I asked if any member of the committee could demonstrate from that record a justification which would permit a conscientious, informed Senator to say that this Agency was entitled, on its record, to more this year than it had received for the average of the 4 years.

Perhaps Congress should apply the same reasoning to 1968 expenditures.

If we average actual expenditures for the fiscal years 1964 through 1967, we get the figure of \$106.7 billion.

Paraphrasing the Senator, I ask you if any of you can demonstrate from the record a justification, other than the increasing cost of the war in Vietnam, which would permit a conscientious, informed Representative to say that this administration is entitled, on its record, to more this year than it received for the average of the 4 years. I think you cannot.

That average includes 2 years of war, but even if we add war costs we do not exceed by \$131.5 billion ceiling.

My remarks today are not intended to be critical of anyone, but only to point out what I believe is required of us if we are to discharge our responsibility as the keeper of the purse strings. Ten years



ago President Johnson, then a Senator, made this comment:

If I know Dwight Eisenhower, the President of the United States, and I think I do, I know he wants me to do my job as a United States Senator as my conscience dictates." 4/15/57, 6974

As he said:

The President can depend upon the Congress to meet him more than halfway, to cooperate with him wherever it feels he is right, and to oppose him only when it thinks he is wrong, and then to oppose him only on principle, and not on the basis of personalities. (February 9, 1957, 2100.)

I say to you today that if I know Lyndon B. Johnson, and I think I do, I know he wants me to do my job as a Representative in Congress and as the ranking minority member of the Appropriations Committee, and I know he understands that I may oppose him on principle, but in my remarks today I am not dealing in personalities, nor will I do so.

One more word, and one more reminder of the days when the President was the vigorous champion of congressional economy. Soon you will vote on my amendment to hold the spending ceiling at \$131.5 billion, a savings of \$5 billion. I say to you as Lyndon Johnson said to the Senators one late afternoon, 10 years ago:

When the vote on the question is taken, every Member who wishes to vote for more money, for more jobs, for more Government-kept press services, for more assistants, can line up on one side and say, "here we are—the spenders, and proud of it." Those on the other side can line up and can say, "Here we are, the cutters, and we are proud of it." (April 15, 1957, 6973.)

For the welfare of the people of this country, I earnestly hope that the cutters today will outnumber the spenders by a wide majority.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman from Ohio for yielding and commend him for the long and hard fight he has made in behalf of fiscal sanity.

Earlier in the gentleman's remarks he spoke of the then Senator Lyndon Johnson's concern during the Eisenhower administration because of the increase in Federal employment. I checked only this morning with respect to present employment in the Federal Government. I found that during the regime of President Kennedy employment increased by approximately 100,000. I found that between June 30, 1963, and June 30, 1967, civilian employment in the Federal Government had increased, under President Johnson and his Great Society, by nearly 500,000.

Apparently President Lyndon Johnson is not as concerned about increased employment in the Federal Government as was Senator Lyndon Johnson during the Eisenhower administration.

Mr. BOW. I thank the gentleman for his contribution.

Mr. WYMAN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Can the gentleman tell me why the legislative and judicial branches are not subject to the same limitations under this resolution as the executive branch?

Mr. BOW. I say to the gentleman, I had hoped they would be. I am sure the gentleman knows that the committee considered this matter at great length. The gentleman from Florida was prepared to offer an amendment to the resolution at that time to include the legislative and judicial branches, which I would have supported, but this was a rather hurried session and it was found in the drafting at that time this could not be brought in.

I say to the gentleman also, I understand, on both sides of the aisle perhaps, there are amendments to be offered today to include the legislative and judicial branches. I shall support them, and I hope they will be included.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BOW. I am glad to yield to the gentleman from Florida.

Mr. SIKES. I should like to confirm what the distinguished gentleman has said. I do believe the legislative and judicial branches should be included, and I intend to offer an amendment to accomplish that.

Mr. BOW. I thank the gentleman.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOW. I am glad to yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. In the gentleman's remarks about Lyndon Johnson, when he was a Senator, he was referring to appropriation cuts and not to expenditure control.

I believe that is the basic issue here today; whether or not Congress is going to abdicate its responsibility and reduce this Chamber to a debating society, whether we are going to approach the subject in a proper way by having appropriation cuts.

I know that the gentleman here is not guilty of this, because I respect and admire him for what he is doing, but it seems to me actually what is being accomplished by this amendment is the creating of a condition here whereby the appropriations of this Government could go up to \$500 billion, and every individual Member on the other side of the aisle would be able to vote for any appropriation he thought was beneficial to him politically, and after the appropriation was made the President then would be put in a straitjacket by saying that the expenditure control should be \$131 billion. Then the individual Member on your side, if he is in favor of a program to build a hospital in his district or a flood control project, or any project, could come back there in a nice, smart political way and explain to the people of his district, "Well, Congress appropriated the money for this, but the President took it out."

Does the gentleman not believe we have a responsibility here to act on appropriations, as Senator Johnson acted in the Senate, and as he stated, as the gentleman read from the Record? Does the gentleman not believe we should act on appropriations and not abdicate our

responsibility and reduce this Chamber to a debating society, sending resolutions to the White House saying that we favor this appropriation and that appropriation, but, on the other and, "We are going to put you into a financial straitjacket and these appropriations cannot be spent," to let the individual Member go back to his district and be an apostle of economy on one side and then in favor of projects in his district? Does the gentleman not believe this is abdicating our responsibility?

Mr. BOW. Mr. Chairman, I do not yield further at this time.

I appreciate the gentleman's expression, but I thought, before our time expired, I should like to reply to a part of it. If the gentleman needs more time, he can get it from his side.

The gentleman has raised a very interesting question. He has raised the question that we appropriate funds and then put the President in a straitjacket. He points over here and he says, "If the Republicans vote for these bills they can go back and claim them."

I believe my friend knows that sort of claiming is not just on one side of the aisle. I believe that on both sides of the aisle people have gone back to their districts at times and have said, "Look at what I have done. I have been able to get certain projects."

I believe, when we look it over, we will find a lot more on the Democratic side have gotten projects than Republicans. One just cannot point the finger over here.

The gentleman says we have to keep control and not put the President in a straitjacket.

Now, let me tell you he has that authority now to cut out programs—to freeze funds. We are not giving him anything new by putting this limitation on him. He already has it, and he has threatened to use it on me, or so the press says. I do not think he really did. I do not believe that. The President has this authority now. Let us see what will happen.

Let us get practical about the \$131.5 billion we appropriated. We appropriated this money, and we have it in the Record that you have all your appropriations for 1967. Congress set them up. So we know that the Government went along pretty well there. There was no real problem at all about it. The Government got along real well in 1967. They had money to spend, and it was a big spending Government. We did a lot of things we had not done before with the funds in 1967. The actual 1967 spending was \$125 billion. That is what he spent. We are not saying, "We are going to cut you down under what you had in 1967, Mr. President." In his January estimate he asked for \$135 billion. What we are saying to him is, "Keep your spending down to \$131.5 billion." That is \$5.8 billion more than he spent in 1967, the fiscal year that just ended in June. So we are not hamstringing him. Just think of all the projects and things that were done in 1967. They operated all of the departments, the Post Office included, and the Internal Revenue Service and many others, and there would not be authorizations brought up that are going to eat up all



that \$5.8 billion in addition that we are giving him.

The gentleman knows that we have excluded the military from this. It seems to me that the gentleman put up some strawmen. We are not doing anything here that has not been done before or that the President himself, when he was the majority leader, did not ask for. He said, "Let us appropriate and let the President and the Secretary of Defense determine how they will spend the money."

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I will be glad to yield to the gentleman from Mississippi in just 1 second. I owe the courtesy of yielding first to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. We all know that the President has the power to reduce these expenditures, but we have the responsibility here of making the appropriations. It is very unfair for us to send all kinds of spending bills down to the White House and have every individual Member protected politically voting for those projects that are favorable to his own district. That is what your amendment does. That is why the President differs with you and why I differ with you.

I was one of those who voted to table the tax bill. I voted that way because I felt through that tabling motion the Congress would live up to its responsibility, too. It is after we pass the appropriation bill that we would let the President cut what he wanted to under the power and authority that he has today, but why should we be able to vote for all kinds of appropriations and kite the appropriations bills up to astronomical heights and then say to the President, "Despite the fact that we voted for all these appropriations, we will only give you this much money to spend?"

Mr. BOW. May I again suggest that the gentleman get time from the gentleman from Texas to expand on that.

But let me simply say this: This is the one way we can actually reduce spending. If we put an expenditure limitation on it, we know—

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOW. I will not yield any further. I suggest the gentleman get his time from the gentleman from Texas.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I will be glad to yield to the gentleman from Mississippi.

Mr. COLMER. I thank my friend for yielding to me.

First again I want publicly and on the RECORD to say that I think the gentleman from Ohio has served a very splendid purpose in what he has done here.

However, the distinguished gentleman from Ohio [Mr. Bow] made a statement a moment ago which is contrary to my understanding of the law and of the powers of the President of the United States. The thing that disturbs me about the gentleman's argument is that the President has this power—I believe my friend, the distinguished gentleman from Massachusetts [Mr. BURKE], said as much

himself a moment ago, but what I would like to know is where the President gets that alleged power? I know of no place in the Constitution of the United States, although I do not set myself up as a great constitutional lawyer, nor do I know of any standard, law, device, or statute that provides or grants that power to the President of the United States.

Now, the fact that the President may use or usurp such power is one thing. But the question of his having that authority and that power is another thing.

Now, if my distinguished friend, the gentleman from Ohio [Mr. Bow] can straighten me out on that question, I shall greatly appreciate it.

Mr. BOW. All I can say to the distinguished gentleman from Mississippi is to repeat the Constitution to the gentleman which provides that no money shall be drawn from the Treasury of the United States, except in consequence of appropriations made by law, and so forth.

This is all that the Constitution says on that question.

Mr. COLMER. Mr. Chairman, if the gentleman will yield further, the gentleman from Ohio [Mr. Bow] may be correct to the effect that there is no authority in the Constitution requiring the President to expend the funds the Congress appropriates. However, I do not find anything, as I interpret the Constitution that represents a mandate that he must spend the money and that he has withheld it.

Mr. Chairman, I do not wish to detain the distinguished gentleman from Ohio [Mr. Bow] too long—

Mr. BOW. I shall be delighted to yield further to the gentleman from Mississippi.

Mr. COLMER. However, I believe there is somewhere in the Constitution, although I have not looked at it recently—I know of no provision dealing directly with this question. However, somewhere in the Constitution there is a statement to the effect that the Chief Executive shall enforce the law. So, if the Congress authorizes and appropriates the money, perhaps the constitutional argument is on the other side—to the effect that the President should spend it.

Now, Mr. Chairman, I repeat that this is the thing which disturbs me. I know that the distinguished gentleman from Ohio [Mr. Bow] knows that I have not been partisan in this matter. My position is simply that the President does not have this power of the item veto and I am against the Congress giving it to him or sanctioning his use of it by legislative enactment.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BOW. Mr. Chairman, I have consumed far too much time on this subject and I realize that my time is going very fast.

Mr. MAHON. Mr. Chairman, I shall be happy to yield to the distinguished gentleman from Ohio [Mr. Bow] 3 additional minutes.

Mr. BOW. I thank the distinguished gentleman from Texas.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

In my opinion we are here discussing the very meat of this entire situation.

The gentleman from Massachusetts [Mr. BURKE] has pointed out, as well as I have heard it, just what the situation is here. By that I mean the responsibility of the Congress of the United States as contrasted with the responsibility of the Chief Executive. With respect to the question raised by the gentleman from Massachusetts, the only authority about which I know, that the President has to withhold expenditure of funds is that authority granted under the Antideficiency Act of 1950, which stated in substance that if conditions change following the providing of the funds to the executive branch, then in the light of the changing situations the Chief Executive can withhold the obligation or expenditure of funds.

Mr. Chairman, I shall obtain permission when we are back in the House to insert into the RECORD that portion of the law at this point in the RECORD.

The material referred to follows:

31 U.S.C. 665

(c) Apportionment of appropriations; reserves; distribution; review.

(1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period; and all appropriations or funds not limited to a definite period of time, and all authorizations to create obligations by contract in advance of appropriations, shall be so apportioned as to achieve the most effective and economical use thereof. As used hereafter in this section, the term "appropriation" means appropriations, funds, and authorizations to create obligations by contract in advance of appropriations.

(2) In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the purposes of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the Budget and Accounting Act, 1921, for estimates of appropriations.

Mr. MAHON. The matter with which we are faced here—and it is my opinion that it has been very well pointed out here by the distinguished gentleman from Massachusetts—is to this effect: You see, heretofore Members have said, "Oh, well, I will vote for this; this is only an authorization, but the Committee on Appropriations will take care of that."

Now, Mr. Chairman, we have moved into Bow amendment era. We have the situation wherein we would appropriate in certain cases only and then say, "Why should we worry about that, because we will have an expenditure limitation and not let the President expend these funds."

Mr. Chairman, this is my problem, your problem, our problem.

Mr. BOW. Mr. Chairman, I realize the fact that the distinguished chairman of the Committee on Appropriations has many problems.



Mr. MAHON. That is an understatement of fact.

Mr. BOW. And, one of them is trying to protect the Treasury of the United States and the taxpayers of this country.

Mr. Chairman, there is a way to solve that problem. That is to say we are not going to spend any more than \$131.5 billion in 1968. That is the primary problem of the gentleman from Texas, to save the taxpayers of this country from the dilemma of the budget, a budget that is entirely out of proportion.

I must say to the gentleman where did the President get his authority last November to delete \$3 billion? If he is violating the law we have to take him to task.

Mr. MAHON. Will the gentleman yield further?

Mr. BOW. No, I cannot yield further at this time.

Mr. MAHON. I will yield the gentleman sufficient time, so he will not have a problem in yielding to his own side.

Mr. BOW. I have some Members who have asked for time.

Mr. MAHON. You are not losing any time, you are using my time.

The President last year used the provision of law, I assume, in the Antideficiency Act of 1960. As the gentleman knows, we had inflationary problems, and a changing condition following the time the appropriations were made, and I assume the President relied upon the portion of the law to which I have referred.

I believe that that was the basis of the decision then, and the President can do so again this year. But we have never given the President the statutory item veto. And that is the reason I so violently—if I may use that word—oppose the Bow amendment and other amendments of this type.

Mr. BOW. Mr. Chairman, the President, in effect, used the item veto last year. Is the gentleman reading this through—"some change in situations"? Let us have Congress face up to the fact that there is a change in situations, there is a tremendous budget, a tremendous debt, a war in Vietnam and business as usual at home. It is time we began to tighten our belts and take the necessary steps if we are going to fight the war in Vietnam and escalate it. There are changes in conditions which the Congress should consider, and not leave it up to the President to decide whether he is going to decide to do it or not.

Mr. MAHON. Will the gentleman yield further?

Mr. BOW. I will yield further on the gentleman's time.

Mr. MAHON. I agree with the gentleman that there is a change in the situation, there is a great urgency for reductions, but I do not agree that it is the responsibility of the President. I agree that it is up to the Congress to reduce appropriations which in effect reduces spending. And that is the reason we have this bill before us which the gentleman from Ohio is supporting today. That is the crux of the whole matter. And in view of the changing conditions let us rescind, reduce, and otherwise limit the amount of money available to the President. But once we have provided the money to the President it is up to the

President to spend it, or else, in view of changing conditions, to withhold it.

Mr. BOW. I must say to the gentleman we have not provided the money, there are about 11 bills still waiting to be brought in here. Let us put this reduction on spending, then when the gentleman and I go to conferences on the appropriation bills we can point out to the other body, as well as our own Members, that there is a limitation on spending, and we must reduce these appropriation bills to meet the ceiling which we have put on them.

Mr. GERALD R. FORD. Mr. Chairman, would the gentleman from Ohio yield?

Mr. BOW. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. The gentleman from Texas has just quoted the specific statutory authority by which the President can refuse to spend the money appropriated that is made available by the Congress.

The gentleman from Texas very well remembers the invitation he and I and others had to go down to the President's ranch in Texas last December, and at that meeting the President asked if on some of the obligational authority that Congress had made available we would agree with him withholding the obligation during the fiscal year 1967. And if I recall correctly the gentleman from Texas and I and others on both sides of the aisle, and from both sides of the Capitol, agreed. The President should not approve the obligations and thereby reduce spending.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

The CHAIRMAN. The gentleman from Ohio is recognized for 1 additional minute.

Mr. GERALD R. FORD. So there is no question that the President has the authority, and we have agreed in the past for the President to exercise that authority.

Now, the difference today is that today we seek to impose our will to cut expenditures rather than leaving it up to the President himself.

Mr. MAHON. I cannot yield more time.

I will say to the gentleman that that is entirely in error.

The President indicated that in view of changing conditions he proposed certain holdbacks in obligations and expenditures, which was perfectly proper then. And it is perfectly proper now. It would be proper now for him to make such a decision. But the decision for us is to determine what we will provide him initially, by way of appropriations. That is the way we can save money and that is the only long-range way we can save money. The Bow amendment probably will save very little because the carry-over money is available for expenditure next year, or the next year, and so on. The gentleman from Ohio does not rescind the money, he merely defers the expenditure of the funds through fiscal year 1968. Many of the funds are no-year funds.

Mr. GERALD R. FORD. The gentle-

man knows differently because the appropriation authority expires on June 30 and it will not be available for him to spend next year.

Mr. BOW. I just want to say to my friend, the gentleman from Texas, that I did not quite understand what he had to say about not saving any money. If the President said that he is going to spend up to \$143 billion this year and we limit him to \$131 billion—it looks to me like we are saving some money.

Mr. MAHON. I think it may be saving some money, but by no stretch of the imagination would it save \$5 billion over the long pull, because the gentleman does not provide for a rescission of those funds, but just says that the money cannot be spent in 1968 but it could be in 1969.

Mr. BOW. No; we limit him on what he is to spend for 1968, and then if the committee will have cut the appropriation for 1969, then we will have a chance.

It seems to me what we are doing here, Mr. Chairman, is simply this. We are saying, Go ahead with what we have in 1967. We are going to give you a \$5 billion cushion. You can go above the amount in 1967. But then we are saying this year, this fiscal year, you are only going to spend \$131.5 billion.

Then the Committee on Appropriations can report out the bills for next year and take that into consideration.

Mr. MAHON. The gentleman's point is that the postponement of the \$5 billion is a postponement for this year only. But the gentleman says in next year's appropriations, we would reduce the appropriation by \$5 billion and, therefore, we are really accomplishing a saving. But that is a rather tenuous argument.

Mr. BOW. I will close with just this comment.

There was \$125,700,000,000 last year, that is 1967, which was spent. This gives him \$5,800,000,000 more than he spent last year. That was a pretty plush Government last year. They got along with what they had and did a good job. I think we ought to put this limitation on so as to assure us and the taxpayers.

Let me just say that the \$3 billion that was frozen last November went into the deepfreeze in November, with the President putting it there. He put it in the deepfreeze and there were great headlines about the economy that the President was exercising. But when the thaw came—and it came awfully fast—and the money came back out and was spent, there were very little headlines about how much was spent. Never yet have we found out—and there is just a little bit that was actually saved. So there were big headlines when the money was going into the deepfreeze, but when the thaw came and the money came out and was used, there were no headlines. There is only one way that the money can be kept in the deepfreeze and that is with an expenditure limitation saying: That is all you can spend. This is the only way we can do it.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)



Mr. WHITTEN. Mr. Chairman, this is a kind of proposition which is always a matter of controversy and will be as long as we have two parties and three branches of Government.

So there is nothing startling about the present arguments. But I would like to review with you a few issues and facts which I consider important.

One is that the President himself has said that the situation now is considerably different from what it was in January when the budget recommendations were made, and that we must cut back spending. We, the Congress, must cut back, not that we call on him to cut back. Certainly I think in the minds of the Members of this Congress, and apparently in the attitude on the part of the public, the situation is viewed with much more alarm and with much greater discomfort than back in January. I know we must act and act now to hold back.

With that predicate to begin with, I would like to say that what we are dealing with here is—if we agree that the situation has changed and we are faced, as a result of the war, and the war expenditures, with the necessity to hold back spending, the question is: What shall we do about it? We must tighten our belts.

But my good friend, the gentleman from Ohio, did not state exactly what his amendment provides in the way of fair play or general application. He did not tell you he was leaving it up to the President as to where, while he only said how much. I would not say the gentleman did so intentionally because, as I said earlier, there is no finer gentleman or better Member of the House, than FRANK BOW, of Ohio. It may be this is the only way he thought he could get his limitation on spending adopted.

Mr. Bow's amendment provides that the White House, the President—and, of course, if you want to take it down, the line, the Bureau of the Budget, which is a vague place where you do not really know who decides—at any rate, the President would be given a directive to cut over all expenditures by a total of \$5 billion from the 1968 budget recommendations, without providing guidelines, without restrictions, without recommendations. I know that my friends on the left might believe that the President would cut out things that would affect their interest, or they might believe he would save them; I do not know what he would cut out. I sometimes have an idea, looking at Budget recommendations, that my area suffers more from the lack of understanding in the executive departments than do other areas. I suppose other Members from other areas feel the same way about their section. I presume actually the Bureau of the Budget and the President do the best they can. I am sure, however, each would want some guidance.

In any event, the Bow amendment provides that the President must strike \$5 billion in spending from the 1968 budget without a word of advice, a word of restrictions, or a word of limitation as to what he may favor or as to what he should eliminate.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I will yield in a moment. I should like to complete my statement.

Mr. YATES. The gentleman said that the Bow amendment would strike \$5 billion. The Bow amendment might strike much more than that.

Mr. WHITTEN. A \$5 billion cut in some places is bad enough, would be fine in others. I want to discuss that, that is why I do not want to yield until I complete my statement. At any rate, as I read the amendment, it would reduce spending under the proposals in the 1968 budget by \$5 billion, with no protection, advice, or restriction as to where. But, as my colleague from Mississippi has said, the point is, you will find no law other than the limited provision mentioned by my chairman, the gentleman from Texas, which gives the executive department the right to withhold funds provided by Congress for projects, expenditures, and so forth as I say, when authorized and directed by the Congress. That is not to say he does not have the power.

I grant you that beginning, in view of the provisions of the Constitution he has the power to withhold projects because, the Executive being equal to the Congress, and the Congress being only equal, in the Constitution, to the President, we are powerless to do anything about it.

So the President has a power which he has exercised on occasion, and since we do not have the power to make him act differently, his action has the effect of right, so far as the result is concerned.

I believe we all recognize that a change has occurred and that the time has come for the President and the Congress to do something about it. We must, at least, with some exceptions, such as the war, hold back increases above 1967. And may I said with regard to the resolution before you offered by my chairman, Mr. MAHON, that I happened to be out of town for 2 days over the weekend, where I saw Ole Miss defeat Georgia, incidentally, and, fortunately, I thought, I was not here where I could go into his resolution in great detail with him, though I had been over the problem repeatedly earlier, I mention that fact because that which I did not approve, results perhaps partially because I was not able to present my arguments at the last minute.

Insofar as what I shall present to you at the moment, though I offered a similar proposal in the Committee yesterday, later withdrawing it, I did not have time to go over this proposal in detail with my chairman until last night after the resolution on behalf of the committee had been introduced in the House. But now if we be in agreement that we need to reduce expenditures below the present fiscal year's budget because of conditions, we ought to be sure that first we tie it to something that the Congress did and not to the Bureau of the Budget and its determinations.

So the provisions that I have prepared—would apply to the expenditures made, agency by agency and department by department, in 1967 as provided by the Congress. So our starting point is one fixed by the Congress, agency by agency and department by department—

contrary to the Bow amendment which would invite the President to keep what he wanted, and cut out what we may believe essential.

Then the other thing my amendment would do is to reduce expenditures back to the 1967 level by department and by agency. The Congress will then be acting on a prior fixed position that we fixed and would not invite the President to apply such hold back to things that do not lend themselves to cuts.

Mr. Bow's amendment does not protect anything from the "asked for" action of the President. I do not want to be a party to reducing expenditures that go directly to supporting our men engaged in the war in Vietnam. But there is no provision in his amendment at the desk which would grant such protection. I do not want to hold the construction of highways so badly needed by my actions, when the funds were put in a trust account for that purpose only and my amendment protects such construction. Do you? I do not want to cut social security payments or the old age assistance payments, or medicare, or other retirement benefits to people who have become eligible since 1967, and I do not believe you do.

In other words, if we must cut back, let us cut back from prior experience where we fixed the amount and be sure we do not do needless injury to our outstanding obligations to people or to our country.

Let us see what shall be excepted from cuts by my amendment. First, let me read what I shall offer. I quote:

Strike out all after the enabling clause and substitute in lieu thereof the following:

"That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "November 23, 1967" and by adding the following language:

"*Provided further*, That for fiscal year 1968, unless hostilities in Vietnam and Southeast Asia should cease earlier, Federal spending of appropriated funds except the expenditure of trust funds by each Department and Agency of government, including the Legislative and Judicial branches, except for military expenditures of the Department of Defense directly related to our involvement in Southeast Asia, including pay of all military personnel, the payment of interest on the National Debt, payments under the Social Security Act, veterans and other retirement benefits, medicare and old age assistance payments, shall not exceed the amount expended during fiscal year 1967, except that the limitation on the Department of Transportation shall not be more than 95 percentum of the budgeted amount for 1968: *Provided further*, That where deemed necessary to maintain mail service, the President is authorized to exempt the Post Office Department from the provisions of this Act; and where it is deemed necessary to the collection of revenue, the President is authorized to exempt to the extent necessary the Internal Revenue and Customs Services from the provisions of this Act: *Provided further*, That such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each Department and Agency not filling vacancies."

There was no Department of Transportation in 1967, so I provided a restric-



tion for that Department to the 1968 budget.

There are some things that are growing, such as mail service, and the number of people and collection of taxes, so I put these exceptions in here. The provision in my amendment might be said to be a freewill offering or a recommendation or what-have-you, but it is important to me, and I think it would be important to the Federal departments. This is the concluding paragraph, and this is back to the level they have been using all along:

*Provided further,* That such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each Department and Agency not filling vacancies.

Let me review briefly the points in this. One, we start with 1967 actions of the Congress in fixing expenditures. We start there. Second, we call for the reduction or hold back to that level, but on those things where there should not be cuts and where in justice we could not afford to cut, I exempt those, such as old-age assistance and the rest. Then on the Department of Transportation I make an exception, tying it back to the Bureau of the Budget, because we had no prior history. Then I make it possible for the President on mail service and collection of revenue, where if in his opinion, it is required, he can waive the limitation as to internal revenue and post office as circumstances may demand.

Then I provide that in meeting this objective, to the extent possible, so as not to have to eliminate projects, to delay initiation of projects and drag out contracts and the rate of progress and rate of payments and not fill vacancies to the extent that these are practical.

I do not think we should just send any official, including the President, an unlimited directive to cut out \$5 billion in expenditures where he might please, as the Bow amendment would do. I do not think the President would do it, but he could cut it all out of Republican districts. I say again, I am sure he would not. He could cut it out of what we believe in. He could just cut it out, period, without rhyme or reason or excuse.

Let me point out also, as I said, and we know it, the President of the United States has the power not to spend a dollar, and we are helpless to make him do it. But he does not have that right. If Congress sends the Bow amendment down there, then we have invited him to do it. He will then have the right to act as he wishes and say he is only carrying out the mandate of Congress. He will have complete freedom as to where to apply such reduction for we would then have placed the meat ax in his hands.

I do not want any part of it. I do not believe my friend from Ohio wants to go home having invited the President to apply that cut to these items which I have excepted in the amendment I shall offer. I do not believe he could live with it.

Really, I have used the word, President, where perhaps I should have said "the Executive."

My arguments are not directed to any individual but to you the Members of

Congress. You or rather we, should live up to our responsibilities.

Remember, the President asked the Congress to hold back. It is my colleague from Ohio who wants to send the message back to the President: You cut—where you please—and I am sure wherever the President pleased would not suit Mr. Bow—and I feel sure it would not suit me.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. It has been said there will be a savings of around \$5½ billion with the so-called Bow amendment. Could the gentleman tell us approximately the savings under his figures?

Mr. WHITTEN. I thank my friend from Alabama for raising the question. I neglected to say one of the key parts here.

Actual spending in 1967 was \$125.7 billion. The budgeted amount for spending in 1968 is \$136.8 billion. The difference between actual spending in 1967 and the budgeted amount for 1968 is \$10.8 billion.

When we take from that these things which I have felt we must except, the best I can figure the reduction under my amendment would be about \$7 billion.

Mr. ANDREWS of Alabama. I thank the gentleman.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONTE].

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Chairman, my good friend and distinguished colleague, the chairman from Texas, started out by saying that this resolution was numbered 888 and, therefore, we were three times behind the eight ball. I have another interpretation of that. I feel it is very significant that it is 888, because under his proposal the Post Office Department would be behind the eight ball, the Treasury Department would be behind the eight ball, and the taxpayers would be behind the eight ball.

First, Mr. Chairman, let me say that if we are sincerely going to make cuts—and I am pleased to hear the gentleman from Florida is going to offer an amendment in regard to the legislative branch and the judiciary, which I will support—I hope we will start by cutting our own salaries by at least 5 percent. I hope we will go on to take some of the frills out of this House, such as cutting the salary of the House Postmaster. Here is a man who deals with 435 Congressmen and earns more money than the postmaster of Chicago. Do you realize how many millions of people live in the city of Chicago? And yet our own private Postmaster has a salary substantially larger than the postmaster of Chicago.

I also hope we can cut out about half of the Capitol Police force. Anyone who comes up our local streets in the morning and sees these fellows tripping all over each other, understands that this could be accomplished with no problem at all.

We could easily do away with some of the House of Representatives patronage by taking the elevator operators out of the many automatic elevators we have in the House of Representatives.

I certainly hope, on the other hand, that we will not make cuts here that will cripple the Post Office Department and the Treasury Department, and that would prevent the Treasury Department and the Internal Revenue Service from collecting the revenues that we need to run this Government.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I am glad to yield to the gentleman from Texas.

Mr. MAHON. This bill was brought out as a vehicle to let the House work its will. If the Members of the House do not feel there should be any reduction in personnel in the Post Office Department or in the Internal Revenue Service they have a right to work their will. We are providing a vehicle here. Perhaps the House will not agree with these provisions. I believe, myself, they are too stringent and I shall support adjustments.

Mr. CONTE. I admire the gentleman's effort here. I have supported every amendment brought forward recently to limit our Federal spending and I will do the same today, provided that those amendments are not going to cripple the vital services needed by the American public. But if the latter is going to be the result, I will not go along with it.

This would be killing the goose that lays the golden egg, and that has just never made much sense to me.

We are dealing here with revenue-producing agencies. Those are the ones who will be hurt when we cut down and say they must absorb the pay raise. The bulk of the employees are in the Post Office Department, more than 716,000.

Many of them are in the Internal Revenue Service. These are the agencies you will hit.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question?

Mr. CONTE. After I am finished, I will be glad to yield. Let me tell you this: The Post Office Department came up before our committee last week on the basis of a hypothetical 5-percent cut in their expenditures which amounted to about \$278 million. The amendment proposed by the gentleman from Texas will amount to over \$384 million in the Post Office Department. This will be about \$100 million more of a cut for the Post Office than would result from applying a 5-percent cut, as is mentioned in the Bow amendment for all Government expenditures. These are the services that the Post Office Department would have to eliminate with a \$278 million cut. They would have to eliminate Saturday delivery service on business routes. They would have to provide only one delivery per day on 5 days of the week on business routes. They would eliminate Saturday delivery on city residential routes. They would convert all rural delivery to 3 days a week. They will eliminate delivery on 1 additional day per week on city residential routes. They would forgo planned extension of rural routes. They would not convert presently eligible



homes from curb to door delivery service. They would return to 1966 levels by reconverting converted door delivery service back to curb delivery.

Mr. YATES. Mr. Chairman, will the gentleman yield to me on that point?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. I attended the hearing as well and I asked the witness whether the same kind of paralysis that existed in the Chicago post office for a period before Christmas last year would continue again. He said it would not only continue in Chicago but in other major post offices throughout the country.

Mr. CONTE. Thank you. The cut would also mean a freeze on city delivery and they would undertake no new extensions. It would reduce parcel post delivery service to 5 days a week.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BOW. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CONTE. It would close 1,000 post offices. It would close all the windows in first- and second-class post offices 1 day a week. It would restrict Saturday collection service to the Sunday schedule. They would have to schedule work force so as to gain a 2-percent increase in clerical productivity without regard to delays in mail. It would eliminate all postal work on Sunday and reduce overtime 50 percent. In the \$17 million reduction in transportation, it would eliminate all the enroute distribution of mail, and shift mail from passenger-type trains to freight or truck, and eliminate all special dispatches by star route.

Now, if I may finish, that is based on a \$274 million cut as opposed to over \$384 million as proposed by the gentleman from Texas.

Mr. STEED. Mr. Chairman, will the gentleman yield for a question?

Mr. CONTE. I am glad to yield to the gentleman.

Mr. STEED. In a recap of this I would like to tell my colleagues that the Department says the impact of this, instead of being \$388 million, will actually be \$452 million. So the situation is even worse than the gentleman is describing.

Mr. CONTE. I wish I had the time to go into what this would do to the Internal Revenue Service. It would mean the firing of 7,500 people concentrated in the collection and intelligence service of the Internal Revenue Department.

Mr. Chairman, I certainly hope when this bill gets into the amending stage that an amendment will be proposed—if one is not, I will propose one—to eliminate the Post Office Department and the Treasury from the Mahon resolution.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mrs. GRIFFITHS].

(Mrs. GRIFFITHS asked and was given permission to revise and extend her remarks.)

Mrs. GRIFFITHS. Mr. Chairman, it has been my understanding from the beginning that the difficulty in cutting expenditures as a means of controlling the budget is, of course, exemplified by the problems we have been having. Nobody wants to name the cuts, and if you

do name the cuts, many people oppose those cuts. I would like to ask the proponent of each resolution this: Each of you has tried to save social security to make sure that the recipients of social security or any other trust fund would receive their payments.

Now, Mr. Chairman, the truth of the matter is that if we cut the personnel handling the trust funds we are going to delay the time it takes to get those social security checks to them.

Perhaps, Mr. Chairman, many Members on the other side of the aisle are not having any trouble in their respective districts with reference to this problem. However, anyone who is serviced by the social security office out of Chicago is having trouble.

Therefore, I would like to know what the proposed amendment which as proposed by each gentleman would do in the matter of personnel for all of these trust funds, first; and second, I would like to know what the effect would be, if you do not touch the personnel for each trust fund or the Post Office, what the cumulative effect upon the rate of all other expenditures will be? Then, I would like to make clear my own position.

I was one of those Members who voted to table the tax bill. I did this because I want to know where all of these cuts are going to be made. I am not for making any cut in any funds that come into the city of Detroit. And, if the rest of you want to cut something out of your district, I shall be glad to assist you in doing so.

The CHAIRMAN. The time of the distinguished gentlewoman has expired.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE of Texas. Mr. Chairman, I would like to ask two or three questions.

The Administrator of Veterans' Affairs, at my request, has advised me of the possible impact of the enactment of this resolution. This is what he says:

In the field of general operating expenses it would cause "backlogs" of "substantial numbers by year end" in the field of compensation, pension, education and housing benefits. In addition, "contact service for returning Vietnam veterans would be curtailed." This would be particularly felt in the compensation and pension adjudication actions of Vietnam veterans as recently liberalized under the provisions of Public Law 90-77. Generally, the impact of the joint resolution on general operating expenses "would be a significant curtailment of services to returning Vietnam veterans."

In the field of medical administration:

The reduction . . . would seriously jeopardize (the Veterans Administration's) ability to provide adequate leadership and guidance for on-going programs and for further implementation of new medical services, education and training, and medical research.

For medical care in the 164 Veterans' Administration hospitals the resolution would impose "a reduction in force in the magnitude of 15,618 employees and maintenance of an average employment level of 118,799, as contrasted with a September cumulative level of 134,417 and budget level of 134,948." The net effect

of such a reduction in force, if it should occur, "would necessitate a substantial curtailment of personnel ratio to patient and closure of hospital wards." In addition, "it would eliminate implementation of new and expanded medical treatment programs planned for in the budget, and it would defer activation of new hospitals recently completed." An overall effect of such a reduction would be to "cause the quality of medical care provided to veterans to deteriorate and cause Veterans' Administration hospitals to fall behind in the progress that has been and is being achieved in the rest of the medical community."

In the field of medical research, the resolution "would require a reduction in force of over 700 employees" and would prevent the Veterans' Administration from activating "medical research programs in new hospitals coming into operation."

I would ask the distinguished gentleman from Texas [Mr. MAHON] if, in his opinion, that statement is correct?

Mr. MAHON. First, the resolution provides on page 3 that exceptions will be made so that no personnel cuts are required if they are involved in connection with the war in Southeast Asia and those involving the safety of human life or the protection of property.

So, I would assume that hospital employees are engaged in activities involving human life and thus I do not think they would be touched by this committee action.

As to new hospitals recently completed, I would say that they would perhaps be deferred.

In respect to medical research, I doubt if the Director of the Veterans' Administration knows exactly what would result on this point and, frankly, I do not know with such precision and assurance myself. But there is a reduction provided for, across the board, in research.

We have gone in research funds since World War II from the sum of \$800 million a year to over \$17 billion a year. There is some effort in this resolution to make some reduction. But if the work of these people involve the safety of life and protection of property, that could be excepted. That is a question of fact to be determined on a case-by-case basis.

[Mr. TEAGUE of Texas addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. TEAGUE of Texas asked and was given permission to revise and extend his remarks.)

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey.

(Mr. JOELSON asked and was given permission to revise and extend his remarks.)

Mr. JOELSON. Mr. Chairman, I take this time to discuss an amendment which I will offer later, which I am sure everybody will seize upon, because we all want to effect economies, and this is a do-it-yourself economy kit. It says this:

Strike out everything after the first paragraph and add the following after the first paragraph:

"The Bureau of the Budget shall within 60 days after the enactment of this resolution submit to each member of the House of



Representatives a list of federal expenditures or obligations of expenditures in the Congressional district represented by each member of the House of Representatives for the 1968 fiscal year.

"Such lists shall include salaries of federal employees, public contracts, public works, and grants or loans of federal monies whether given directly through the federal government or through an agency or department of a state, and all other sources of federal expenditure or obligation. Each member of the House of Representatives shall within 30 days after the receipt of such list submit to the chairman of the House Appropriations Committee a list of recommended elimination or reduction of federal spending in the Congressional district represented by him or her, such list of recommendations of reduction or elimination not to be less than 5 percent of all federal spending or obligation of federal spending in such Congressional district for the fiscal year 1968."

My amendment does not make the President do the cutting, nor does it apply the congressional meat-ax approach. It allows each one of us to suggest savings in our own Congressional district.

And I will say further that I am not kidding, I am very serious about this amendment.

Mr. MACGREGOR. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. Yes; I yield to the gentleman from Minnesota.

Mr. MACGREGOR. Mr. Chairman, I am delighted that the gentleman from New Jersey has put forth this idea. Two months ago I protested the decision by the Department of Justice to grant some \$52,000 to finance a local law enforcement project within a municipality in my district. I received considerable heat for doing this. I would be happy to comply with the provisions in the gentleman's amendment, since I have already taken a similar step, and look forward to the opportunity to do so again.

Mr. JOELSON. I congratulate the gentleman.

Mr. RIEGLE. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. Yes; I yield to the gentleman from Michigan.

Mr. RIEGLE. Mr. Chairman, I find this an interesting concept. However, how do we prorate the hundreds of thousands of bureaucrats that live here in Washington if we continue to hire them, as occurred in July of this year, at the rate of 33,000 a month, how do you plan to prorate them to the individual districts?

Mr. JOELSON. I would say that after we solve the difficulties at home we can then allow the gentleman from Ohio [Mr. Bow] to take the burden of the entire Nation on his shoulders. But, let us remember that economy—like charity—begins at home. In the words of John F. Kennedy, "let us begin."

Mr. RESNICK. Mr. Chairman, would the gentleman yield?

Mr. JOELSON. I yield to the gentleman from New York.

Mr. RESNICK. Mr. Chairman, I would ask the gentleman would the gentleman include the Post Office and social security payments at his district level?

Mr. JOELSON. I would allow each Member to recommend to the Committee on Appropriations, and the Commit-

tee on Appropriations will then work its own will, but they will have every expert recommendations.

Mr. RESNICK. Would the gentleman also include veterans' hospitals and such as that?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOW. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Chairman, I wish to express my appreciation to the gentleman from Ohio [Mr. Bow] for allowing me to take this time, inasmuch as I am not a member of the Committee on Appropriations.

Mr. Chairman, there has been discussion in the course of the debate this afternoon about a proposed amendment to save \$142,375,000. That discussion centers about the appropriation for fiscal year 1968 for the civil supersonic transport aircraft. If recognized for that purpose, I will when we reach the amendment stage offer an amendment, which is now pending at the Clerk's desk, to effect this saving through rescission.

Members of this House have heard me speak on the SST before. I have been endeavoring for a year and a half to provide an opportunity to substitute private financing for taxpayers' funds for this wholly commercial product. Not before in America's history have we taken hundreds of millions of dollars of the taxpayers' money to subsidize the development of a wholly commercial product.

The civil supersonic transport aircraft is a wholly commercial product. It has no military or defense purpose. Many people say to me, "Well, obviously, there is merit in your proposal, but America stands to lose its worldwide leadership because of the British-French Concorde and the TU-144 being developed by the Russians."

Let me respond to that. I am not proposing to kill the American supersonic transport. I am proposing to substitute for money from the general revenue fund of the Treasury, money from private investment sources to carry forward the supersonic transport development.

But I do not think anybody in this Chamber believes that the Russians are going to sell any supersonic transport aircraft on the world market. And you in this Chamber know that the British Government is in even worse financial trouble than we are. The British may well be about to pull out of the British-French Concorde development program.

The Concorde, even if built, has performance limitations which would not place it in competition with the American supersonic transport. Those of you who have studied these projects know that what I am saying is true.

Let me again emphasize that I am only seeking to save \$142,375,000 in the SST development. I am not killing the program. We have \$124.5 million in the SST pipeline—money that we have appropriated in previous years, including fiscal year 1967. There is \$124.5 million that has not yet been spent. That money can be spent on the supersonic transport during the remainder of this year while we consider the alternative of private financing. There are many in this Chamber

who have General Electric plants and Boeing plants in your districts. I do not criticize anybody in this Chamber for seeking to protect and fight for the economy of his district and the jobs of the people who live in his district.

America has some 135 GE plants. Both GE and Boeing have substantial order backlogs. You will not be hurting Boeing or General Electric if you adopt my amendment.

Mr. MAHON. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. ASPINALL], the distinguished chairman of the Committee on Interior and Insular Affairs.

(Mr. ASPINALL asked and was given permission to revise and extend his remarks.)

Mr. ASPINALL. Mr. Chairman, I think we all realize what is involved in this particular matter this afternoon. What we need to do—in our responsibilities as members of the legislative and executive departments—is to acknowledge that we are in an expensive and difficult war. We should be willing to carry back to the people at home the fact that we too realize that there is a war and that we cannot have our cake and eat it—that we cannot live luxuriously and fight a hard war at the same time. What we should do now is win this war.

I would also suggest that this is a rather dangerous time in which to be playing partisan politics, and a great deal of partisan politics is wrapped up in what we are doing here today. Neither the Nation nor this body have the time for such partisan politics right now.

The resolution now being considered happens to affect an operation in which I am very much interested; and that is the Public Land Law Review Commission. We can live with it—and, if we have to, we shall live with it. However, it is not my opinion that this is the proper way to discharge the appropriation responsibilities of the Congress. The Congress is the appropriating body of our Government. Congress should accept that responsibility and be entirely honest with the people whom we represent. We should save money where it is possible to save. Where it is necessary to spend it we should spend it keeping in mind the needs of the day.

Mr. Chairman, I shall support any program that is honest in its attempt. But, it is only fair that I advise my colleagues now, just how the future activities of the Public Land Law Review Commission will be affected by the legislation now being considered.

Mr. Chairman, I bring to the attention of the Committee the effect that the non-selective, across-the-board reductions contained in House Joint Resolution 888 would have on one small unit of Government and probably on others.

As Members know, the Public Land Law Review Commission was established by the Congress as a temporary body to review all the public land laws of the United States and recommend modifications that may be necessary. Under a bill, H.R. 12121, that passed the House 2 months ago, the Commission's report must be submitted by June 30, 1970, but under existing law, the report must be submitted by December 31, 1968.



The act establishing the Commission also authorizes certain appropriations, and H.R. 12121 now pending in the other body would provide a new authorized ceiling on appropriations. I assure you, Mr. Chairman, that the limitation on appropriations that was approved by this body in H.R. 12121—namely, \$7,390,000—is a realistic, conservative estimate of the cost of completing our job.

A reduction in expenditures this fiscal year will not in any way reduce the ultimate overall cost of the studies and could increase the cost by requiring a further extension of time if we are unable to accomplish as much as we have planned on an orderly progressive basis.

So that Members may be fully informed, I am including here a detailed analysis of the impact that House Joint Resolution 888 would have on the activities of the Public Land Law Review Commission.

Section 1: Not applicable; appropriations for the Public Land Law Review Commission are contained in Interior and Related Agencies Appropriation Act of June 24, 1967, Public Law 90-28.

Section 2: Between date of enactment and November 23, 1967, our inability to enter into new contracts would not be critical; however, in view of the difficulty we have experienced in recruiting for some of our positions, our inability to hire additional personnel might be critical. Our fiscal year 1968 budget and appropriation were premised on a total of 48 personnel, but the inability to obtain properly skilled personnel has resulted in our current strength of 34, including four consultants.

Should we, in response to our previous recruiting efforts, "find" a proper person for one of the "vacant" slots, we would be unable to fill it. In a small organization with a highly skilled professional staff, this might be, even in a short range, critical. Should such restrictions be carried beyond the very temporary period such as proposed by House Joint Resolution 888, the impact would be severe.

Section 3 would result in a reduction of \$37,350 of the \$747,000 estimated for personnel compensation and benefits in fiscal year 1968. This would, based on our average salary of \$14,000 per annum, require a reduction of approximately two or three personnel, depending upon category of employment, even if the prohibition on hiring contained in section 1 were lifted.

We have followed the policy of not hiring people just for the sake of filling positions. The director and I believe it better to have a position vacant rather than fill it with an unqualified person. In the professional fields, we have utilized the services of consultants intermittently for those skills not on the permanent staff.

The reduction required by section 3 might be critical in view of the fact that in a small organization there is very little flexibility where our estimate of required positions was very stringently drawn in the first instance.

Section 4 would require a reduction of \$23,950 of the \$747,000 estimated employee compensation and benefits in

fiscal year 1968 after deducting the 5 percent cutback required by section 3 and deducting first-quarter fiscal year 1968 compensation. Based on our average salary, this would indicate a further reduction of two personnel—a professional and a clerk—even if the prohibition on hiring contained in section 1 were lifted.

The total reduction of \$61,300 employee compensation, based on our average salary, would require a reduction of four personnel.

A combination of sections 3 and 4 would mean therefore a 10-percent reduction in our personnel target. Should we be able to recruit the hard-to-find personnel, our inability to hire either permanent employees or temporary consultants would be critical.

Section 5: Not applicable to this Commission.

Section 6: Not applicable to this Commission.

In addition to the above, the combination of sections 2, 3, and 4 would preclude the Public Land Law Review Commission from obtaining bids for the accomplishment of the study of the Outer Continental Shelf on a schedule required to fit the needs of the Commission on Marine Science, Engineering, and Resources. Pending receipt of additional funds for fiscal year 1968 to fulfill our contract program, the Director has taken the initial steps required for a temporary reprogramming of personnel funds to make them available for the contracting of the Outer Continental Shelf study. The loss of these funds under sections 3 and 4 would leave us with insufficient funds for the estimated cost of the Outer Continental Shelf study. This could result in requiring the Commission on Marine Science, Engineering, and Resources to separately duplicate some of the work we would be required to accomplish as part of this Commission's work.

Mr. ULLMAN. Mr. Chairman, this is the first clearcut opportunity the House has had to vote on a proposal to reduce overall Federal spending in the 90th Congress.

Virtually every expert witness to testify before the Ways and Means Committee—whether economist, businessman, financier, or Government official—has stated that a \$29 billion Federal deficit would result in a heavy round of inflation and an even more costly version of the credit crunch that staggered the economy in 1966. Such an inflation would hit hardest in the low- and middle-income range and would be a heavy and indiscriminate tax on the American people.

Faced with such a crisis, I do not see how any Member of Congress could invite such serious consequences by inaction.

It does no good to grasp for easy solutions, to resort to sad clichés, or to orate about the many other serious problems that face this Nation. We do no service to the solution of those problems if we stand by and permit our economic strength to be sapped by inflation.

We should face up to the fact that two corollary actions are essential to a solution:

First, Federal expenditures must be reduced during the balance of fiscal 1968 and for at least the first half of fiscal 1969.

Second, there must be an increase in Federal revenues.

Both of these actions are essential, but it is abundantly clear that the Congress will not approve a tax increase unless there are ironclad assurances of expenditure reductions in the order of \$5 billion.

It has been argued that Congress should reduce current appropriations by that amount—and I support such action—but this would not serve as a guarantee that total expenditures for the period would be reduced. Thirty billion dollars of unobligated funds are in the Treasury pipeline, and control of those funds is required.

Throughout the consideration of this problem, I have worked for an agreeable accommodation between the administration and the Congress, but the President has refused to make the necessary commitments. In my view, we must now seek another course to fulfill our responsibilities.

I am now satisfied that the only way we can be assured that the necessary restraint will be exercised is to impose a statutory spending limitation on the President.

Mr. TUNNEY. Mr. Chairman, the Whitten amendment's approach to budget cutting is vastly superior to the Bow amendment. The Congress should take the responsibility for budget cutting and not leave it to the executive branch. I support the Whitten amendment and oppose the Bow amendment. There is no doubt that budget cuts are needed and should be spread over as many agencies and programs as possible without doing damage to our national interests.

Mr. RHODES of Arizona. Mr. Chairman, the House Republican policy committee supports a reduction of at least \$5 billion in governmental expenditures. Immediate action must be taken to reduce the anticipated administrative budget expenditures for fiscal year 1968 from \$136,500,000 to \$131,500,000. The President's adamant refusal to recommend or to institute meaningful cuts in spending has made it imperative that Congress impose a ceiling on expenditures. The disaster laden cycle of tax and spend, inflation, and ballooning deficits must be broken.

In fiscal year 1960 the nondefense spending by the Federal Government was \$48.6 billion. The estimated nondefense spending for fiscal year 1968 is \$95.6 billion. This is an increase of 97 percent. In the 5-year period of the Johnson-Humphrey administration, the Federal Government has spent \$60.487 billion more than it has taken in. The interest alone on this deficit will cost the American taxpayer \$2.8 billion a year for every year it remains unpaid.

The second and third installments on the grandiose Great Society program are now due. In 1965 and again in 1966, when the Republicans were outnumbered two to one, President Johnson and his rubberstamp Democratic majority in Congress hastily enacted a flood of new and



extremely costly programs. This was at a time when the cost of the Vietnam war was continuing to escalate and it was completely foreseeable that it would soon reach its present rate of \$2 billion a month. The combination of Great Society spending and increased defense expenditures has resulted in an inflationary spiral that has now reached an annual rate of 4.4 percent. Moreover, the cost of living has risen 12.6 percent since the Democrats took office in January of 1961.

Since 1961 the Democratic administrations have embraced the philosophy of unlimited Government spending and budget deficits. Despite repeated and ever more urgent danger signals, the Johnson-Humphrey administration has refused to put its fiscal house in order. It has consistently underestimated the cost of the war in Vietnam and the size of the budget deficit.

In January 1966, the Johnson-Humphrey administration submitted a \$112.8 billion expenditure estimate that proposed defense expenditures of \$60.5 billion. This was a totally unrealistic figure in view of the massive Federal spending. However, the administration continued to adhere to its original estimate. In fact, on September 8, 1966, the President not only reaffirmed the earlier estimate but assured the American people that total expenditures would be cut back by at least \$3 billion. It was not until after the November elections that the American people finally learned the truth. In January 1967, the administration disclosed that fiscal 1967 expenditures would amount to \$126.7 billion and not the \$112.8 billion previously forecast.

Just last January the Johnson-Humphrey administration forecast a deficit of \$8.7 billion for fiscal 1968. In June this figure was completely discredited when the administration was forced to obtain from Congress a borrowing authority that would accommodate a deficit of \$29 billion. However, it was not until August 3, 1967, that the administration finally acknowledged the precarious state of the economy. On that date, the President forwarded a message to Congress wherein he urged the immediate enactment of a 10-percent surtax. In this message, it was stated that unless expenditures were tightly controlled and the tax increase imposed, the deficit for 1968 could be more than \$28 billion.

The Republican Members of Congress have consistently called for a reduction in governmental expenditures and the immediate establishment of spending priorities. In March of this year, the House Republican policy committee urged the enactment of a resolution that would return the budget to the President and request that he indicate the places and amounts where he believes substantial reductions may be made. During the 85th Congress, President Eisenhower responded to a similar resolution by recommending reductions of \$1.342 billion in a budget of \$73.3 billion. The Democratic-controlled Congress has refused to grant this resolution any consideration whatsoever.

As the economic indicators have become more and more alarming, the Republican call for economy in Government and a reduction in expenditures

has been echoed and reaffirmed in almost every quarter.

The Joint Economic Committee has called for a reduction or deferral of low priority and nonessential spending. This would, according to the committee, reduce the anticipated deficit and the Government's demand on the financial markets and leave more funds to private borrowers and would lower interest costs.

Almost without exception, those testifying before the House Ways and Means Committee regarding the President's request for a 10-percent surtax stated that governmental expenditures must be reduced. It also was noted that a reduction in expenditures has a far greater dampening effect on the inflationary fires than an increase in taxes.

The distinguished chairman of the House Ways and Means Committee, Representative WILBUR MILLER, Democrat, of Arkansas, stated in an October 9, 1967, U.S. News & World Report interview:

I think the first order of business, even though action on Appropriations bills hasn't been completed, is to relay to the Government departments instructions that they must reduce spending by a fixed amount.

Now, I would feel much better about it if we could have some advice from downtown—from the Budget Bureau and the White House—with respect to where each individual program might be trimmed.

The executive branch, in my opinion, has a lot better idea of where there may be excesses in the budget—excesses over what is really needed, or what somebody thinks is needed—than does Congress. If any of these excesses can be eliminated, we should be told.

Even President Johnson has joined those who are concerned by the present inflation. In a recent statement he acknowledged that:

All taxes are burdensome but the cruelest tax of all is the inflation tax.

Most prophetically it was just 15 months ago that President Johnson also stated:

When these folks start talking to you about inflation, you tell them that is something you only have to worry about in Democratic Administrations.

Real expenditure control must be achieved by examining and making basic changes in the mushrooming Great Society programs. To date, the Johnson-Humphrey administration has refused to consider this approach. It demands its tax increase in return for dubious promises of future frugality even though it is a fact that whatever funds are made available to this administration are always spent. According to the October 15, 1967, edition of the Washington Sunday Star, the President opposes the drive to force him to cut spending and is "concentrating now on escaping blame for the distress he expects to afflict the economy because Congress refuses to raise taxes."

One of the underlying reasons that this Congress is unwilling to grant a tax increase is the well founded doubt that the additional revenue would be used to reduce the deficit. If the President is really sincere about wanting a tax increase, he must take the first step toward reestablishing his fiscal credibility. He must at least cooperate in making a sig-

nificant cut in the expenditure level of this Government.

There must be restraint in Federal spending and an immediate implementation of expenditure priorities if we are to avoid a runaway economy that may lead to governmental control of wages, prices and credit, as well as further increases in taxes. This can be achieved through the Republican proposed limitation on governmental expenditures. We urge its adoption.

Mr. BROYHILL of Virginia. Mr. Chairman, later on, at an appropriate time during the reading of the bill for amendments, I intend to offer an amendment to section 6 of the bill which will reduce the appropriations for the Office of Economic Opportunity from the amount of \$1,400 million as provided in the bill, to an amount of \$1,200 million.

The bill itself provides for a reduction of last year's expenditures from \$1,687 million. My amendment will make a further reduction.

I realize that the main objections that many of my colleagues will have to this amendment is that it does not make enough of a cut in the appropriation for this agency. I agree with them. However, this amendment is offered as a compromise pending what I hope will be further reductions in the very near future.

I should like to point out that a reduction to \$1.2 billion would, in effect, mean a reduction of \$860 million in the President's budget in view of the fact that he had requested in his budget an appropriation of \$2,060 million.

In my opinion the war on poverty has been one of the worst boondoggles in the history of our Nation. All of us are against poverty and want to prevent human suffering and despair. But this program, Mr. Chairman, has been a miserable failure and has not materially contributed to reducing poverty and human suffering. Its records are full of examples of waste and mismanagement. In fact, since the Office of Economic Opportunity was created in 1964, 75 percent of all of the agency's appropriations has been spent for administration and overhead.

Most of us agree that we must cut back on needless spending. In fact, that is the thrust of our debate today. Obviously there is no easy place to make the cuts, and obviously there is a great deal of buckpassing when it comes to determining who should "bell the cat." But, if we are going to make any cuts at all, we must cut the poverty program, because this is where the greatest amount of waste happens to be, and here is where we can specifically make clear our intention to cut back on this type of waste.

As a matter of fact, the House has on several occasions expressed its disappointment in the poverty program, and on two specific instances in recent weeks the House has by indirect action emphatically voiced is disapproval. The most recent instance was last week during the debate on the Federal employee pay bill when an amendment was adopted to preclude the employees of the Office of Economic Opportunity from receiving the increase. It was not the intention of the Members of the House



to discriminate against the career civil service employees who happen to be working for the Office of Economic Opportunity, and I am confident that this discrimination will be corrected in the Senate or in conference. The effect of that amendment, however, was to let the RECORD show that the House of Representatives did disapprove of the waste in the agency caused by unnecessary hiring and too many high salaries as well as additional employees.

The second instance was when during the debate on the juvenile delinquency bill language was inserted specifically precluding the Office of Economic Opportunity from receiving any of the funds provided by the legislation.

Mr. Chairman, this was indirect action. My amendment will be direct action. We will show emphatically that we want these errors to be corrected. We want improvement in the program. In effect, we want to clean up the mess.

My amendment will serve as a warning to the administrators of this program that unless they tighten their belts and eliminate waste the Congress may abandon their program entirely.

Frankly, I think they should.

Mr. OTTINGER. Mr. Chairman, earlier in today's debate I said I intended to support the Whitten amendment. I carried out this intent on the teller vote which adopted the amendment in committee. I did this because I think it is essential for us to cut nonessential Federal spending. As I said before, of the various undesirable alternatives, I far prefer this cut to an unfair tax surcharge or to letting the national debt soar out of sight.

The addition of the Broyhill and Passman amendments to the Whitten amendment, however, make it impossible for me to support the resulting package on final passage.

It just seems insane to be cutting \$680 million from the Office of Economic Opportunity program at a time when the problems of poverty, urban and rural, are growing at such an alarming rate. Yet, this is what the Broyhill amendment would do.

With all its problems of administration, and there have been many, the OEO program has done a remarkable job of tackling the problems of poverty, getting resources devoted to resolution of these problems—both private and public resources, of State and local government as well as Federal—finding the answers to the complex problems of poverty and trying out new approaches. A virtual revolution of knowledge has taken place in this field since this program, one of the proudest and best accomplishments of President Johnson, was started.

Sure, there have been administrative problems. The agency has been exploring uncharted waters. Sure, there have been false starts and errors made. Were it not for these errors, we could not learn the approaches that will produce results.

I think Sargent Shriver deserves great praise for his heroic work as Director of OEO. He certainly deserves cudos for sticking at the job and maintaining his enthusiasm and creativity in the face of all of its problems, challenges and the

hard time given him by so many Congressmen, mayors, and private groups whose ox was somehow gored, justly or unjustly.

I cannot support this kind of wholesale destruction of the antipoverty program at a time of greatest need for it, when the poor are close to revolution because of their plight.

Do we want to see massive bloodshed in this country, a true revolt of the poor against our insensitivity? What hope can the poor derive from legal recourse to their Government when we turn the back of our hand to them in this way? Are we not just inviting trouble?

The cut made by the Broyhill amendment will be particularly serious as applied to on-going programs, and some will certainly have to be cut. What do you think is going to be the result of tossing youngsters out of Headstart classes, of abruptly ending child medical care programs in midstream, of tossing dropouts out of Job Corps camps and vocational training courses? Not only is this a course of irrationality and cruelty, it is a course of danger.

The Broyhill amendment is not a cost-saver by any means, either. Do you really think it costs society less to rectify the damage of a delinquent, hire the police necessary to apprehend him, pay the freight to incarcerate and feed and guard him, than it is to educate or train him and enable him to avoid a life of crime? On the broader scale, you certainly can't think that the damage done to Detroit or Newark are economically worth the candle of the money saved.

And, what about the Passman amendment, cutting the heart out of our foreign programs? Did you never absorb the truth of the adage that an ounce of prevention is worth a pound of cure? Would you really prefer \$2 billion a month military solutions to all our foreign relations problems?

Again, the foreign aid programs have many faults, and I have been among the first to criticize them and indicate ways in which I think they could be improved. I have spent most of my working life dealing with the problems of Latin America, participating in our aid and Peace Corps programs there. The solution certainly is not to end the programs but to improve them.

I, for one, should far prefer to spend \$3 billion a year helping Latin American countries stand on their own feet in face of the threat of communism than spend \$30 billion a year and countless lives of our youth battling to rectify Communist intrusion on the continent. I would far rather help build the Alliance for Progress into a better program for aiding the Latin nations to help themselves than have to repeat actions like that in Vietnam and the Dominican Republic there.

The Broyhill and Passman amendments bring us to the heart of the expense-cutting problem, the question of priorities. Certainly spending should be cut, and I have voted against better than \$11 billion of it already in this session. But it is folly, economically, socially, and every other way, to cut the programs essential to our national health and safety while leaving in perfect tact the pork-

barrel programs and the special interest subsidies. I just cannot go for that.

I therefore shall oppose the Whitten amendment as so sadly amended by Messrs. BROYHILL of Virginia and PASSMAN, and I fervently hope that you will do the same.

Mr. MAHON. Mr. Chairman, I ask that the Clerk read.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution of October 5, 1967 (Public Law 90-102), is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "November 23, 1967".*

AMENDMENT OFFERED BY MR. JOELSON

Mr. JOELSON. Mr. Chairman, I offer an amendment.

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and sixty-five Members are present, a quorum.

The Clerk will read the amendment offered by the gentleman from New Jersey.

The Clerk read as follows:

Amendment offered by Mr. JOELSON: Strike out everything after the first paragraph and add the following after the first paragraph:

"The Bureau of the Budget shall within 60 days after the enactment of this resolution submit to each Member of the House of Representatives a list of federal expenditures or obligations of expenditures in the congressional district represented by each Member of the House of Representatives for the 1968 fiscal year.

"Such lists shall include salaries of Federal employees, public contracts, public works, and grants or loans of Federal moneys whether given directly through the Federal Government or through an agency or department of a State, and all other sources of Federal expenditures or obligation. Each Member of the House of Representatives shall within 30 days after the receipt of such list submit to the chairman of the House Appropriations Committee a list of recommended elimination or reduction of Federal spending in the congressional district represented by him or her, such list of recommendations of reduction or elimination not to be less than 5 percent of all Federal spending or obligation of Federal spending in such congressional district for the fiscal year 1968."

Mr. MAHON. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the joint resolution. It would impose additional duties on the Bureau of the Budget and would require reports of committees which are not now required. It calls for action which goes in the opposite direction to the joint resolution, which proposes to curtail rather than to expand Government activities. I insist upon my point.

The CHAIRMAN. Does the gentleman from New Jersey wish to be heard on the point of order?

Mr. JOELSON. Yes, I do wish to be heard.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey on the point of order.

Mr. JOELSON. Mr. Chairman, the amendment is directed at the reduction of expenditures in each congressional



district to the tune of 5 percent of the total expenditures in each district. As I understand the resolution under consideration, its purpose is to reduce spending by 5 percent. My amendment would merely establish a different way of accomplishing this purpose. Therefore, I submit that the amendment is germane.

The CHAIRMAN. Reading the amendment offered by the gentleman from New Jersey, in the opinion of the Chair the amendment includes a directive to the Bureau of the Budget and provides for an investigation by Members of the House and a review by the Committee on Appropriations. The Chair thinks the points made by the gentleman from Texas are well taken. The Chair sustains the point of order.

Mr. RESNICK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very disturbed and unhappy really that the amendment of my dear friend and colleague was not considered germane, because I thought it just about as effective and germane as the Bow amendment, which I understand is going to be coming up later for us to vote on.

If possible, I would like to draw the attention of my distinguished colleague and good friend from Massachusetts [Mr. CONTE] and ask if he will answer a question for me. I was following the argument of the gentleman from Massachusetts on the Post Office Department very carefully. Knowing him to be the expert he is, and the devoted and conscientious Congressman and legislator that he is, I heard him point out what would happen under the resolution.

I put to him this question: What would happen to the Post Office Department under the Bow amendment?

I presume amendments are going to be offered today to exempt the Post Office Department and the Internal Revenue Service and the Veterans' Administration and the Social Security Administration, and so on. The question I would put to my distinguished colleague and very good friend and neighbor is: What would happen under the Bow amendment?

Mr. CONTE. The Bow amendment has nothing to do with the argument I was directing against the Mahon amendment. The Mahon amendment specifically says all these agencies must absorb the pay raise. Therefore, I had something to work with. The Bow amendment cuts down expenditures by \$5 billion, and it is up to the President of the United States as to where he will apply that limitation.

Mr. RESNICK. Will the gentleman answer this question?

Mr. CONTE. He has \$5 billion more than he did last year.

Mr. RESNICK. Would the gentleman answer this question for me? I think the figure has been very well established that, after taking out the exempt features of the Bow amendment, we have basically \$21 billion to work with.

Mr. CONTE. It is \$31 billion.

Mr. RESNICK. No. After taking out the exemptions for the Defense Department and social security, and so on, I believe we have \$21 billion. There is \$9 billion of the \$21 billion which is in Federal salaries. Perhaps the gentleman can

enlighten me, because the author of the Bow amendment has not enlightened me, nor has anyone else, as far as I know. I would ask: Where is this \$5 billion going to come from? If the gentleman from Massachusetts says it cannot come from the Post Office Department, and the distinguished gentleman from Texas says it cannot come from veterans affairs, and I am sure the distinguished gentleman from Mississippi does not want it to come from Agriculture, I would like to know where the \$5 billion is going to be cut from?

Mr. CONTE. The President may cut it out of the space program or out of the agricultural program. We can save a lot of money in the Agriculture Department, where we have more employees than we have farmers in the United States, or there are many other programs where it could be taken out.

Mr. RESNICK. I have yet to hear one specific place where \$5 billion is going to come from.

Mr. CONTE. I just gave the gentleman one.

Mr. RESNICK. I think the Republican Party is evading its responsibility. The Republicans say they want to cut \$5 billion, but they will not say where. When a suggestion is made that we will take it out of the Post Office Department, everybody says no. It cannot come out of veterans affairs or public works. Maybe there is some part of the Government I do not know about. Surely the gentleman from Ohio must have some idea where this \$5 billion is going to come from.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. RESNICK. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, when I directed my remarks to the gentleman from Texas, I did not disagree with him in regard to his argument on research and development, which I believe amounts to \$1.7 billion.

Mr. RESNICK. If the gentleman will stick to the point, I am asking a very simple question. I say to my friend from Massachusetts, please tell me where \$5 billion is going to come from?

Mr. CONTE. If the gentleman will give me the opportunity, I will. I say \$1.7 billion on research and development, and maybe the rest out of Space and Agriculture, et cetera. Cut out all the subsidies. I realize that this may eliminate the gentleman on the Agriculture Committee, but it may be a godsend to him.

Mr. RESNICK. I am sure if the entire agricultural program was discontinued, my district would not lose a dime, because we do not get any subsidies in my district.

I say to the gentleman, in all honesty and sincerity, that never once has anybody on the Republican side said where the \$5 billion is going to come from.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: Strike out all after the resolving clause and insert: "That the joint resolution of October 5, 1967 (Public Law 90-102), is hereby amended by striking out 'October 23, 1967' and inserting in lieu thereof 'November 23, 1967.'"

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

Mr. RYAN. Mr. Chairman, my amendment would present the House with a simple continuing resolution, extending the current resolution from the expiration date of October 23 until November 23, 1967. This, in my judgment, is what we should be doing in the House today. We should have before us only a continuing resolution for those agencies for which appropriation bills have not been signed into law.

I have been dismayed over the past month at the spectacle the House has been making. I am dismayed by the fact that we have before us this afternoon a resolution which would cut by 5 percent the cost of civilian personnel in all executive agencies, which would require the absorption of the 4½-percent pay raise, which would reduce research and development by 10 percent without any evaluation of priorities, and which would go to the very heart of the antipoverty program, which is the symbol of the Great Society, by cutting that program back to a rate that would be provided by an appropriation of \$1.4 billion.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the distinguished chairman.

Mr. MAHON. The gentleman has offered an amendment for a simple continuing resolution for 30 days. I am not authorized to speak for the Committee on Appropriations, but I would have no objection to the adoption of the amendment.

Mr. RYAN. I am sure the distinguished chairman would not. I would hope that all Members of the House would put aside the debate in which we are engaged and vote in support of this amendment.

Mr. Chairman, I urge its adoption.

Before we vote, let me use the balance of my time. It appears as though the specter of a large deficit has impaired our sense of responsibility and liberated a primitive urge to destroy Federal programs and disrupt the processes of government. Our colleague, the gentleman from Oklahoma [Mr. STEED], with whom I do not always agree, was quoted in this morning's New York Times as saying, "The House has lost its head."

If anything, this is an understatement. The resolution before us is the latest step in an alarming sequence of events which are slowly undoing the hard-fought legislative gains of the past 7 years. I wonder how many of us have given it the serious consideration it warrants.

Under section 3 agency payrolls are limited to 95 percent of the fiscal year 1968 budget estimates. Furthermore, under section 4 agencies are required to absorb the 4½-percent pay increase—6 percent for postal workers—internally by cutting back personnel. On the surface this looks like a total personnel cut-back of 9½ percent, which would be damaging enough. However, according to Bureau of the Budget estimates, the consequences would be far more serious. Time is required to survey departments



to determine where the cuts should be made.

In addition, employees must be given 30 days' notice, and payrolls must cover terminal leave and severance pay. It is anticipated that those terminated will be on the payroll until March 1. Therefore, the impact of the 5-percent reduction would occur in the last 4 months. The percentage payroll reduction would have to be prorated for all of fiscal year 1968 and telescoped in the last 4 months of the fiscal year. Thus, in order to absorb the effects of House Joint Resolution 888, an agency would have to reduce its payroll by 24 percent. This can hardly be met by not filling vacancies.

Let us look at a hypothetical case. Assume:

First. Payroll of \$1,000,000 per month for 2,000 employees at average salary of \$6,000 per annum;

Second. No change from 1967 to 1968; now at \$1,000,000 per month level;

Third. Average terminal leave for employees who would be separated of 21 days;

Fourth. Severance pay equal to another month's pay;

Fifth. It takes 40 days from October 23 to determine who to fire and for RIF's;

Sixth. Thirty days' notice of termination;

Seventh. Employment severance actually begin January 1;

Eighth. Five-percent cut in personal service obligations; and

Ninth. Absorption of the 4.5-percent pay increase from October 1.

Then it would require 24-percent reduction in payroll or 480 employees to effect a reduction of \$960,000, the amount of reduction required by sections 3 and 4.

The effects of a cutback of this magnitude are very damaging. For instance, a 5-percent cut in the Internal Revenue Service payroll, or \$44 million, would result in reduced revenue collections of between \$600 million and \$1.3 billion, depending on the way personnel cuts are made.

A 5-percent cut in the Customs Bureau payroll amounting to \$6.7 million will involve estimated revenue losses of \$100 million to \$250 million, not to mention such side effects as an unknown amount of increase in smuggling of drugs into the country.

The Post Office has reported that it may have to suspend second-, third-, and fourth-class deliveries and some first-class deliveries on Saturdays.

I do not point this out to suggest that the Post Office, Customs Bureau, and Internal Revenue Service be exempted from these provisions, but to illustrate how ill considered the entire resolution is. Undoubtedly, other agencies and public services would suffer as well.

The President has said repeatedly that we can afford both guns and butter. Now, the rising cost of war has raised the political price tag on vital domestic programs, and the House seems quite prepared to opt for guns without any serious debate on priorities. The threat of a \$29 billion deficit is somehow seen as an eternal given, and few of us are pausing

to consider how it got there. It is ironical that the President has structured the situation so that Congress sees it as a choice between a tax increase and cuts in domestic programs. As a result, the administration has set the stage for the gutting of its own domestic programs.

In adopting this resolution, we would be continuing the process of making grave decisions on national priorities by default. The Vietnam war bears principal responsibility for a deficit which may approach \$29 billion. This may or not be detrimental to the economy. But, virtually without substantive debate, the House is deciding that the continued escalation of the war is worth the destruction of the critical domestic programs of the Kennedy and Johnson administrations, that it is worth wreaking havoc on Federal agencies by compelling a 25-percent cut in payroll. The House is also apparently deciding that this course is preferable to a tax increase or tax reform.

The deficit has simply provided the excuse. The antipoverty program, the symbol of President Johnson's domestic program, has been the object of attack as a result of the balance of these political forces.

On September 26 the House adopted an amendment to the Juvenile Delinquency Prevention and Control Act prohibiting the receipt of any funds by agencies administered or in any part funded or contracted by the Office of Economic Opportunity.

Last week OEO was excluded from the civil service pay increase. And now, under House Joint Resolution 888, the poverty program is again singled out for special treatment. Its annual rate of expenditure would be limited to \$1.4 billion for the interim period, or 15 percent below the fiscal year 1967 appropriation.

If this reduction were carried over into OEO's entire 1968 budget, it would result in the reduction of 55,000 summer jobs for needy youths, the reduction of in-school assistance to another 40,000 needy students, and the reduction of training programs for 15,000 school dropouts. Further, 95,700 poor adults would be denied job training. The Job Corps would be cut by 17,000 enrollees. Twenty-two thousand persons on the welfare rolls would be denied job training for productive employment. Headstart would be reduced by 18 percent; Upward Bound by 31 percent; local health by 42 percent; and legal services by 20 percent.

If reductions are to be made, decisions should not be reached without a full understanding of the substantive programs which will suffer, and not through ill-considered budget slashing.

The report which accompanies House Joint Resolution 888 points out that House floor action has already cut administration budget requests by some \$3.8 billion, including \$689 million in Housing and Urban Development, and \$167 million from Health and Education. This is over and above administration reductions from fiscal year 1968 authorized levels totaling \$4.45 billion, of which over 70 percent is in the critical domestic areas of Health, Education, Housing, and Urban Development.

In summary, we have already had budget reductions of over \$8 billion.

Our cities, our education, our health needs have already been shortchanged. While these vital programs are meeting a slow death by strangulation, the military construction bill, which increased spending by \$1.3 billion over last year's level, sailed through the House on October 3 by a vote of 377 to 33.

In the name of fiscal caution the entire fabric of enlightened congressional attitude toward Federal responsibilities in social legislation seems to be unraveling, with no end in sight. This, too, is appeasement. And the administration is the unhappy captive of its own ploy.

House Joint Resolution 888 would set extremely dangerous precedents for the destruction of hard-fought programs through the back door. It would impose drastic administrative burdens. It would cut out vital services.

A great deal more reflection and consideration of the substantive issues at hand, consideration of national priorities and the true national cost of the Vietnam war must precede such a drastic step.

Therefore, Mr. Chairman, I again urge the adoption of my amendment which provides a simple continuing resolution.

Mr. ECKHARDT. Mr. Chairman, I wish to associate myself with the gentleman from New York [Mr. RYAN] in support of his amendment. I believe that some of my colleagues on this side of the aisle are springing into the mouth of defeat to avoid being gobbled up.

Of course, the amendment which I understand is to be offered by the gentleman from Ohio [Mr. Bow] would destroy or seriously impair the progress that this Congress has made in meeting the problems of decay in our cities, of crime in the streets, of poverty, educational disadvantage, and discrimination, and of air and water pollution.

But, on the other hand, the limitations proposed by the Committee on Appropriations upon the extension of the joint resolution of October 5, 1967, Public Law 90-102, by House Joint Resolution 888 seems to me voluntarily to embrace defeat in anticipation of having the Bow amendment force defeat upon us.

I am for a frugal and efficient government, but I am not for our Government crippling itself to prove its frugality. Appropriations must be considered and recommended deliberately; and, when the House acts upon them, it should cut only with precision and intelligence.

I do not sense deliberation, precision, nor true economy in either House Joint Resolution 888, nor in the Bow amendment. Therefore, I would return to the previous deliberate, precise and frugal action of the Appropriations Committee and of Congress. Such would be the effect of the Ryan amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The question was taken.

Mr. BOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RYAN and Mr. Bow.



The Committee divided, and the tellers reported that there were—ayes 107, noes 125.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. During the period beginning with the date of approval hereof and ending November 23, 1967, no executive department, agency, corporation, or other organizational unit shall make any obligation for any new construction, research, demonstration, training, service, or similar project or activity not directly related to the current military effort in Southeast Asia unless it is determined by the head of such department, agency, corporation, or other unit, under such overall guidelines as the President in his discretion may prescribe, that the project or activity requires obligations beyond administrative control, or involves the safety of human life or the protection of property, or involves the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulae prescribed by law. No such department, agency, corporation, or unit shall make any obligation otherwise permissible for procurement of any goods or nonpersonal services that can, without impairing the national defense or welfare, be postponed during such period. No additional civilian personnel (or contract personnel in substitution thereof) shall be employed during such period unless it is determined by the head of any department, agency, corporation, or unit that it is necessary, within the limits of funds otherwise available, to do so in connection with the current military effort in Southeast Asia, the safety of human life, the protection of property, or for statutory positions the exact number of which is fixed by law.

SEC. 3. Funds available or becoming available to the several executive departments, agencies, corporations, and other organizational units for obligation for civilian personnel compensation and benefits for the fiscal year 1968 (other than those relating to retired personnel, those directly relating to the current military effort in Southeast Asia, those involving the safety of human life or the protection of property, or for statutory positions the exact number of which is fixed by law) shall not be available for such purposes beyond 95 per centum of the amounts estimated therefor in the budget for 1968 (H. Doc. 15) as amended. Reductions pursuant to this section shall be applicable on an individual appropriation or fund basis to the greatest practicable extent without impairing essential functions, and such reductions shall not be offset by substitution of contract personnel. Amounts withheld from obligation pursuant to the provisions of this section are hereby rescinded and shall be covered into the Treasury, and amounts so withheld from obligation under corporate funds are hereby rescinded and shall revert to the source from which derived.

#### AMENDMENT OFFERED BY MR. SIKES

Mr. SIKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKES: On page 2, line 24, after "the", insert: "legislative (except items pertaining to the Senate) and judicial branches and the".

Mr. SIKES. Mr. Chairman, I ask unanimous consent, in view of the fact that I have four amendments which are interlocking and which apply to exactly the same subject, that the remaining three

amendments be reported and that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. SIKES: On page 3, line 20, strike out "branch" and insert: "legislative (except items pertaining to the Senate) and judicial branches".

On page 4, line 8, after "the", insert: "legislative (except pertaining to the Senate) and judicial branches and the".

And add a new section, as follows:

"SEC. 7. The rate of pay of no individual employee shall be reduced by the operation of this resolution."

(Mr. SIKES asked and was given permission to revise and extend his remarks.)

Mr. SIKES. Mr. Chairman, I hope I may have the attention of the Committee. I support the Mahon resolution. However, in addition—very simply and very briefly—I am seeking to say to the Nation that the House is willing to take the same medicine it wants to administer to other Government agencies. The perfecting amendments which I have offered are intended to subject the legislative and judicial branches to the same terms and conditions described for the executive, and for the same period of time. The amendments will do no more and no less. The amendments would include the House, the judiciary, Government Printing Office, the Library of Congress, and the Architect of the Capitol. Under the usual rule of comity items pertaining to the Senate are not included. They will have to sweep around their own door.

Under the resolution as introduced, Cabinet officers, agency heads, et cetera, are generally exempted by the language "or for statutory positions, the exact number of which is fixed by law." This existing phrase would protect Members of Congress and members of the judiciary.

Now, the new section 7 which I propose, should be clear on its face that it is primarily designed to accommodate individuals whose pay is provided by small line appropriations, such as the Speaker's Office, the Chaplain, et cetera.

As I intend the language to read, it would also insure that the rate of pay of no individual employee of a Member would be reduced by the operation of the resolution itself. In those cases where a Member is using the full amount of his clerk hire it is intended that it would not be necessary for him to take a reduction in the number of employees, or in the amount of clerk hire, provided someone is in position, such as the Disbursing Clerk, would assess the reduction against the total appropriation, offsetting against the total reduction the savings resulting from unused clerk hire on the part of Members who do not utilize the full authorization.

This will not be popular in some quarters. I am simply leaning over backwards in an effort to be fair. I do not believe the House can in good grace exempt itself from the restrictions on spending that we propose for others, nor do I see any justification for exempting the judiciary.

I would call attention that there is a saving clause in the resolution itself, in the Mahon resolution, which I quote, on page 3, line 9:

Reductions pursuant to this section shall be applicable on an individual appropriation or fund basis to the greatest practicable extent without impairing essential functions.

This would deal with emergency situations and I think provides the necessary protection.

I trust the amendments will be accepted.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished gentleman.

Mr. ANDREWS of Alabama. I want to commend the gentleman for offering this amendment and I assure him that I am in full support of the amendment.

I will say further as chairman of the subcommittee for the legislative branch of the Government, I will do all in my power to see that our committee makes rescissions in line with the provisions of your amendment, if it prevails—and even if it does not prevail.

Mr. SIKES. I appreciate the gentleman's support.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished gentleman, a member of the committee.

Mr. LANGEN. I thank my colleague for yielding.

Mr. Chairman, I rise to support the amendment of my colleague, the distinguished gentleman from Florida. Certainly this is a most appropriate amendment to the resolution now before us.

As we have now recognized, there is a substantial need for a reduction in expenditures in all phases of Government as the resolution provides. It follows that certainly the legislative branch and the judicial branch ought to be subjected to the very same provisions.

This is really the minimum contribution that we, as a legislative body, can make in view of the demands that are placed upon the budget of this Nation. It would seem to me that it is the duty of the legislative branch to set the kind of an example that we expect other departments of Government to follow. It has already been stated that there are many frills that we could well do without.

Now is surely the time to let the Nation know, that the House of Representatives is ready and willing to tighten its belt in the best economic interest of the Nation and the taxpayers. American boys are making great sacrifices for the preservation of our way of life and it behooves us as a legislative body to make what ever economic contribution we can. I know that it is alarming to recognize that we no longer can afford all of the services that now exist, but that is what the budget situation demands. The spending spree is over and its time that the House should recognize it. It is the generous spending of Congress for both war and domestic programs that has led to the excessive deficit of \$26 to \$30 billion. We now ought to be just as anxious to practice prudence as we are demanding other departments of Government to do.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.



Mr. Chairman, I take this time for the purpose of asking the gentleman from Florida some questions in an attempt to clarify this.

As I understand his amendment, if a person is using the full amount of their clerk hire, they will not be cut at all; is that right?

Mr. SIKES. This is my intention, but it is difficult to insure that this will be the case. As I pointed out in my statement, if someone in a position to do so, such as the Clerk of the House, will credit the clerk hire account with the unexpended funds in the accounts of those Members who do not use all of their clerk hire, it should not be necessary for any Member to take a reduction. If this were not done, it would be necessary for Members who use all their clerk hire to take a reduction in the number of employees or to cut salaries.

Mr. HAYS. But if everybody were using the full amount, there would have to be a cut; is that right?

Mr. SIKES. In that case it would be up to the Member himself whether he would cut salaries of individuals—or to cut the number of employees.

Mr. HAYS. Let me ask you this. In my case I have three fewer than I am allowed. So you are going to take the money that I am not using and apply it to somebody else so that somebody else can continue their full amount; is that it?

Mr. SIKES. We are assuming that each Member is using the number of employees that is required for the proper operation of his office.

Mr. HAYS. This whole thing is about as phoney as a Confederate \$3 bill. If it passes, I am going to put three more people on the payroll in the morning—before the Senate acts and it can become law.

Mr. SIKES. The gentleman is his own judge of the requirements of his office.

Mr. WYMAN. Mr. Chairman, I move to strike out the last word.

(Mr. WYMAN asked and was given permission to revise and extend his remarks.)

Mr. WYMAN. Mr. Chairman, I rise in support of the amendment.

As the gentleman knows, I reserved on this in committee. I think almost everyone here is in agreement that the same principle that we seek to apply to the executive branch should apply to the legislative branch and the judicial branch as well.

The situation described in remarks just made relating to the clerk hire rule can be easily handled by the Clerk because the percentage limitation applies to the aggregate clerk-hire base for all 435 Members as a group. If enough Members have enough slack to equal 5 percent of the group figure no changes will be needed. Of course, if Members all fill their clerk-hire allowance before passage, then we will be subject to a 5-percent reduction the same as the executive branch.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the distinguished chairman of my committee.

Mr. MAHON. I want to make this statement in order to make some legislative history. Is it not true that the purpose of the Sikes amendment is to enable all Members who use all of their clerk-hire allowance to continue to use their clerk hire, if they need to do so, and Members who do not use all their clerk hire at the moment will not be restricted in using their clerk hire?

But if there are funds left in the account for the payment of clerk hire, I understand the Sikes amendment would provide a 5-percent reduction in those funds. I understand the gentleman from Florida [Mr. SIKES] has offered the amendment in such a way as not to make a reduction in the pay of any employee on "the Hill," as we would not make any reduction in the pay of any other employee in the Government.

Mr. WYMAN. That is correct. If there is a 5-percent slack in the aggregate clerk-hire payrolls of Members at the time the amendment becomes applicable, due to the fact that Members have not used all of their payroll allowances, then the amendment would simply cut available base by 5 percent. For practical purposes this would have no tangible effect except as a limitation on the amount of base available for future commitment. This is the same as the resolution would apply to the executive branch and Government agencies.

However, if every Member goes out after this discussion today and employs up to his full allowance, the 5-percent reduction, according to the amendment, will of course then have to be applied by the Clerk across the board to all Members. I think it is important that this be understood in view of the remarks of the gentleman from Ohio.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Is it not a fact that if a Member does not use all of his clerk-hire funds, they go back to the Treasury anyhow?

Mr. WYMAN. That is correct. They are simply a credit unused for each monthly period.

Mr. PUCINSKI. I do not understand what you are trying to prove, since all the money goes back, not merely 5 percent. The whole sum you have not spent goes back to the Treasury at the end of the year.

Mr. WYMAN. At the end of each month. What is sought to be done, as I understand the pending amendment, is to in effect rescind or reduce the aggregate clerk hire available to members by 5 percent, but if this percentage is available at the time of enactment by virtue of unutilized clerk-hire base then nobody is adversely affected except in terms of ability to commit these funds in the future.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to the gentleman from Ohio.

Mr. HAYS. The thing I object to is that I have already tried not to use any more clerk hire funds than I need. I ob-

ject to being made the goat by some Members who would like to get themselves on record but who in the meantime have been using all of their clerk hire funds.

Mr. WYMAN. The gentleman is not being made the goat at all. The amendment would apply the same rule that the resolution would apply to the downtown agencies. You, individually, are not being made the goat at all. Should every Member proceed to commit all his clerk hire funds then the limitation would apply across the board. The fact that you have not seen fit to use all your individual funds, and some other Members have not used their funds, for you to say that since the cut will be made, therefore we should use all the money available, would not help, as I see it, because the cut would then have to be made across the board.

Mr. HAYS. Mr. Chairman, will the gentleman yield further?

Mr. WYMAN. I yield to the gentleman from Ohio.

Mr. HAYS. I am going to put them on because these fellows who are using all their funds ought to sacrifice a little bit, too, and do something besides talk.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. MAHON. Mr. Chairman, I rise for the purpose of undertaking to clarify the situation confronting the House. I wish to make it clear that we would not tolerate and, as chairman of the committee, I would not tolerate any reduction in any Member's clerk hire funds that the Member requires for the operation of his office, whether he is at the moment using all of his clerk hire funds or not. If there are funds remaining after Members have used all the clerk hire they desire within the limit of what the law allows, the cut of 5 percent would be made from those funds.

The purpose of the Sikes amendment and its principal objects are the General Accounting Office, which has a budget of some \$52 million, the Library of Congress, the Architect of the Capitol, and the other agencies in the legislative branch where there are more employees, and appropriations in larger sums, from which reductions can be made.

We would cut no one's pay and deny no Member the right to employ from funds he may not be presently using. I would hope that the House would accept this interpretation and let us get on with the issues before us.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Oklahoma.

Mr. ALBERT. Do not the funds that are not used by Members for clerk hire go back to the Treasury?

Mr. MAHON. They do.

Mr. ALBERT. What is the use of applying this amendment to the funds of Members of Congress?

Mr. MAHON. The amendment would also apply to the whole of the legislative branch, which includes the Library of



Congress and the General Accounting Office.

Mr. ALBERT. If a Member is not using all of his funds—and I would say that a big percentage of the Members do not, or at least do not use them all the time—if you would cut them 5 percent, does that mean that next month when he puts on an employee that he can put on the full amount of his base or 5 percent less than the full amount?

Mr. MAHON. He could use the entire base. That would be my interpretation of the amendment. The purpose of the amendment is to cover the legislative branch as best it can be done.

Mr. ALBERT. It seems to me this needs some working on.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I would like to give a little illustration of how we are legislating in the dark. Does the gentleman have any figures as to how much has lapsed from the legislative branch already?

Mr. MAHON. We do not have those figures immediately available.

Mr. HAYS. We do not know. I have given back a great deal, and so have many other Members. It is probably 5 percent.

Does the gentleman know how this resolution will work on the State Department?

Mr. MAHON. On the State Department?

Mr. HAYS. They would have to lay off 800 employees, which they could probably do without, but at this time of the year it will cost more money to bring them home and give them annual leave, and so on, than we can save. I am going to vote against the resolution of the gentleman from Texas and the Bow amendment and all the rest.

Mr. MAHON. Mr. Chairman, I would hope we would accept the Sikes amendment with the assurance that there is no provision that could be interpreted to withdraw from a Member the right to hire what the law now allows, or that it would cut the pay of the people in his office, which would be ridiculous and absurd. We are not reducing pay to individuals in the executive branch.

Mr. MOSS. Mr. Chairman, I rise in opposition to the amendment and in an effort—I might say a very desperate effort—to understand it, particularly as it might relate to the General Accounting Office. Is it the intent of the gentleman that the funds for the General Accounting Office be reduced by 5 percent?

Mr. SIKES. I see no reason why any agency of the Government should be exempt from this general economy drive, and it would apply to personnel in the General Accounting Office. I trust the gentleman recognizes they should be just as careful about economy as any other agency.

Mr. MOSS. It is for the precise reason that the gentleman in the well is interested in real economy—in real economy—that he opposes reducing funds to the General Accounting Office. I know of few areas in this Government where we can invest dollars and produce more

savings than in the General Accounting Office.

It is my opinion that it is utter foolishness to cut the funds for the auditing arm of the Congress at the very time when many programs are as yet not fully tried, as we expand the military activities, as we move all around the world involving this Nation's interests, that we cut off a part of the effective auditing arm of this Congress. I think it would be a tragic error, and if for no other reason—forgetting the legerdemain that goes on in this supposed reduction of our own forces—if for no other reason—than to preserve the forces in the General Accounting Office, I think this amendment merits a resounding defeat.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to ask the gentleman from Florida [Mr. SIKES] if he would also like to apply this to the military employees, civilian and uniformed? If not, why not? I am not talking about the boys in Vietnam. I am talking about the boys in the plush chairs over in the Pentagon.

Mr. SIKES. Mr. Chairman, if the gentleman wishes a response, will he yield to me?

Mr. HOLIFIELD. I would like the gentleman to respond, and I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, the language of the Mahon resolution applies to civilian employees in the Department of Defense, exempting only those who are directly associated with the conduct of the war in Vietnam.

Mr. HOLIFIELD. Mr. Chairman, how many of the military in the Pentagon are directly associated with the war in South Vietnam, and how many are not?

Is there any way in the world of determining who are not directly involved?

Mr. SIKES. If the gentleman will yield, that information can not be definitely determined at this time, but I can assure the gentleman the great majority of civilian employees in the Department of Defense are not directly associated with the war in Vietnam.

Mr. HOLIFIELD. But the gentleman's amendment does not include them.

Mr. SIKES. My amendment does not. They already are included in the Mahon resolution. Those civilians not directly associated with the war in Vietnam are limited in the Mahon resolution. They are not exempted.

Mr. HOLIFIELD. How many Members are willing to take a 5-percent cut in their own salary today? We are getting so holy on the subject of economy.

I see about a dozen hands up. That is about par for the course.

Mr. SIKES. The gentleman would get a better test if he were to offer an amendment for such a cut.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, for at least 15 minutes I was on the floor seeking recognition, and the Chair did not recognize me, and I do not like it.

Now I want to say this: for a number of years, and without any advertising it to gain acclaim and voter favor, I have saved money for the taxpayers by not using my entire clerk allowance, and I intend to continue in the ways that satisfy my conscience and doing it silently as a matter of course. I do not write to my constituents and say, "Other Congressmen may do this, but your Congressman does not." I credit my willingness, all of them, with the same integrity with which I in my humble way approach the performance of my office.

But the proposal that I have heard today and that is embodied in the pending amendment is shocking beyond belief. It is the most brazen proposal ever made in a legislative body to my notion. It is as simple as that: If the gentleman from Ohio, WAYNE HAYS, and the gentleman from Illinois, BARRATT O'HARA, and others—I think a great majority of my colleagues—do not use all their clerk allowance, those who do use it all can benefit from the savings of their colleagues and still get credit in the sunshine of publicity for taking a nonexistent 5-percent cut.

What do we call that? It is phony economy. For the first time in the many years I have been a Member of this distinguished body I feel a sense of nausea and shame.

That is all.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. TIERNAN].

Mr. TIERNAN. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I rise to express warm affection for my good friend from Florida. I know he is sincere in offering this amendment, and I know it is his desire to save money. He is a valuable Member of this body, and I am proud to serve with him.

But I want to say that this amendment points up the evil of what we are doing today. This body has set up an Appropriations Committee. It is the biggest committee in this House of Representatives. Ostensibly it is one of the most powerful. It is one of the hardest working and busiest.

We are in an awful mess here because the Senate has not acted on the appropriation bills. Had they done so, we might be able to have a better idea of where the expenditures stand. We are desperately trying to retrieve control over appropriations, because of the fact that the Senate has not acted and of the fact that we have to continue the day-to-day expenditures of Government to keep the Government going.

The way this matter should be handled is to let the Senate finish acting, to con-



tinue the appropriations, to bring the matter back and then have another look, if the Appropriations Committee wishes so to do, to see where economy is to be made. This would be responsible government.

To legislate in this frantic, hasty, careless, irresponsible way, without having a full idea of the effects of the legislation before this body and the impact of the cuts upon the Government, is really the poorest kind of legislation.

I recall as a boy in the 80th Congress when they cut like this. They cut off a tremendous number of people who were Internal Revenue Service employees, with the result that Government tax revenues dropped right out of the bottom. The result of this was that the cuts which were supposedly economy cuts wound up costing the taxpayers far more, far more indeed, than the savings which were supposed to come from those personnel cuts. This is an example of what we are doing today.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from Florida [Mr. SIKES].

The question was taken; and on a division (demanded by Mr. SIKES) there were—ayes 66, nays 134.

So the amendments were rejected.

#### AMENDMENTS OFFERED BY MR. STEED

Mr. STEED. Mr. Chairman, I offer two amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. STEED: On page 3, line 6, immediately following the comma, insert the following: "those involving the protection of the revenues and essential postal services,"; and

On page 3, line 25, immediately following the comma, insert the following: "those involving the protection of the revenues and essential postal services,".

(Mr. STEED asked and was given permission to revise and extend his remarks.)

Mr. STEED. Mr. Chairman, despite the fact that there is evidently a great deal of difference of opinion about what we are trying to do here today, surely we can all agree that in the great activities of our Federal Government there are some things we do that are just a lot more important than some other things we do. And, since the approach here today is an across-the-board approach, I have offered these amendments to exempt these two phases of our Federal activities, Mr. Chairman.

Mr. Chairman, it is my opinion that if the members of the Committee of the Whole House on the State of the Union fully understood what this resolution, if adopted, would do to these agencies, and if it became law, no one of you would want it to apply to these particular agencies.

First, Mr. Chairman, permit me to say that the subcommittee of which I am chairman which handles the budgets of these two agencies, has already held

three meetings upon the question of recisions. In other words, we are in the process of determining which recisions can be made, and where they can be made.

Mr. Chairman, my desire is to give these agencies involved, and to give the House of Representatives an opportunity to work within the limits of the provisions of the proposed resolution.

However, in the meantime, I think all of the members of the Committee of the Whole House on the State of the Union should remember this. This resolution, if adopted, will have a double impact upon these very important agencies due to the fact that if it is adopted it will cut back to the extent of 5 percent upon personnel in one section, and require the Post Office Department to absorb a 6-percent pay raise in the next section.

In other words, Mr. Chairman, this represents an 11-percent cutback which if this resolution is adopted would impose upon the Post Office Department.

Mr. Chairman, I remind the members of the Committee of the Whole House on the State of the Union that we have had our full budget recision hearings on the budget of the Post Office Department. They have gone through approximately 4 months of their fiscal year, as has the Treasury Department. Since this 11-percent cut would be applied to the remaining 8 months of their budget, it would have the actual effect of bringing about an 18-percent reduction in their activities.

Mr. Chairman, the Post Office Department presently has 716,000 employees, which includes 31,600 which the Congress of the United States allowed them in their budget request this year. These people are already on board.

Therefore, if you apply this reduction to the Post Office Department, you are going to require them to absorb this 18-percent cut. In other words, they will have to discharge for the remainder of this year 132,000 postal employees. I can assure the members of the Committee that such action, if followed, will wreck the American postal system.

Mr. Chairman, I say this especially at this time. Are you going to do this right at the time when they are coming into the heaviest portion of their year—coming into the Christmas season of the year?

Mr. Chairman, if this is applied to the Internal Revenue Service they will lose 2,100 additional employees, and in addition to that they will have to absorb this 4.5-percent pay raise as well as the proposed 5-percent cutback, which is going to require a \$44 million cut in their budget. During the remaining 8 months of their budget year, they will have to lay off 7,500 of their people.

Mr. Chairman, if they are compelled to do this, they will have to shut down activities that will cost this Government this fiscal year an estimated \$1,295 million in collections and \$270 million of this comes from interest alone.

Mr. Chairman, it seems to me that this is a foolish thing to undertake to curtail the ability of a revenue agency to bring in some more money. In other words, it makes just about as much sense as a

farmer would make if he ate his own seed corn. We would lose more money by this procedure than we are trying to save.

Mr. Chairman, I cannot see how any Member of this Congress would possibly want these two very, very important agencies of this Government to curtail their activities by creating a situation which this resolution would accomplish, if adopted.

Therefore, Mr. Chairman, I would hope that the Members of the House will take into account the funds involved for these particular agencies and realize that they are of great importance and of such great importance that we cannot afford these cutbacks that could better be applied to some other activities of the Government.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

(Mr. HAYS asked and was given permission to revise and extend his remarks.)

Mr. HAYS. Mr. Chairman, if I thought the Senate would buy this and if I thought that this thing would pass, I would be delighted because if we had to cut back rural deliveries to 3 days a week and if we had to cut back city deliveries to 4 days a week, this would represent a different situation. You know, a lot of Members do not realize that the American people are not illiterate, and that they could read the record, would find out who did this and, boy when they realize this we would have a lot of new Members in the 91st Congress.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, before commenting on the amendment by the gentleman from Oklahoma, I would like to place in the RECORD explanatory material which appears in the report and which is of great importance in the consideration of the legislation before us.

I call attention to the following portions of the committee report:

#### SECTION 1—CONTINUING APPROPRIATIONS

This is the fourth continuing resolution of the session. Section 1 extends the current resolution expiration date of October 23 by 30 days, to November 23 (Thanksgiving Day). Otherwise in this respect, it is identical in emphasis and scope to the current resolution (Public Law 90-38, as amended by Public Laws 90-75 and 90-102, the general terms and conditions of which are explained in House Reports 374, 596, 708, and 724).

While the outside date in this fourth resolution is November 23, it is just that—an outside date. Like continuing resolutions of the past, the terms of Section 1 cease to apply to an agency or activity concurrent with approval by the President of the applicable appropriation bill in which provision for such agency or activity is made. Thus, the scope of this section constricts as each regular bill is enacted; and it becomes wholly inoperative after the last approval.

Five of the 15 appropriation bills for the current fiscal year 1968 have been enacted and cleared to the President. They are: Interior, Treasury-Post Office, Defense, Legislative, and the Agriculture bill not yet signed by the President.

The conference report on the Transportation bill is filed and now pending on the House Calendar.



Five additional bills have passed both Houses and are pending in conference. They are Labor-H.E.W., Independent Offices-H.U.D., the space program (NASA), Public Works, and State-Justice-Commerce-Judiciary. Conferences have been held on several, and more are planned this week.

The District of Columbia bill is in committee of the other body.

Three bills are pending in the Committee on Appropriations where they have been awaiting legislative authorization; two of them still depend on authorization bills. They are: Military construction, which is to

be reported shortly; Foreign assistance; and the closing supplemental in which will be considered, as a principal example, the antipoverty program. These three bills currently involve about \$9 billion of appropriation requests.

#### DELAYS IN APPROPRIATION BILLS

The Committee's original reporting plan, released on April 10, was to bring all of the regular annual bills for fiscal 1968 to the House during the period March 20-June 30. The last one, for the new Department of Transportation, was scheduled to be reported on June 30.

The first 9 bills for 1968 were reported on schedule, but all the others were, or still are, either wholly or in significant part delayed for lack of more timely enactment of a number of related annual authorization bills.

As Members know the Committee on Appropriations cannot, within the rules, report appropriations for any purpose not previously authorized by separate law.

Following is a tabulation comparing the original committee reporting schedule with the status of the annual bills for 1968, three of which remain to be reported:

#### ANNUAL APPROPRIATION BILLS AS OF OCT. 16, 1967

Bill	Committee reporting schedule, Apr. 10, 1967	Reported to House	Passed House	Passed Senate	Final congressional action	Notes
Treasury-Post Office.....	Mar. 20	Mar. 20	Mar. 22	May 23	June 29	
District of Columbia.....	Apr. 14	Apr. 13	Apr. 18			
Interior.....	Apr. 21	Apr. 21	Apr. 27	May 18	June 12	Bill omitted provision for saline water program for lack of authorization bill (budget \$13,482,000).
Independent offices—HUD.....	May 12	May 12	May 17	Sept. 21		Bill omitted NASA, budget \$5,100,000,000, plus a couple of small items due to authorization bill delay.
Labor-HEW.....	May 22	May 22	May 25	Aug. 2		Bill omitted antipoverty program, budget \$2,060,000,000, and 10 or a dozen other programs, budgets totaling some \$261,840,100, due to lack of authorization bills.
State, Justice, Commerce, and Judiciary.....	May 26	May 25	May 31	Oct. 11		Bill omitted Appalachian item, budget \$33,000,000 due to lack of authorization bill.
Legislative.....	do.	do.	June 1	July 10	July 24	
Agriculture.....	June 2	June 2	June 6	July 13	Oct. 10	Bill omitted an Appalachian item, budget \$3,000,000, due to lack of authorization bill.
Defense.....	June 9	June 9	June 13	Aug. 22	Sept. 13	
Public Works.....	June 16	July 20	July 25	Oct. 10		Delay, awaiting AEC authorization bill, budget \$2,646,100,000, plus 4 small items, budgets \$15,385,000 not yet authorized.
Transportation.....	June 30	July 13	July 18	Oct. 5	(1)	Authorization bill for Coast Guard (budget \$107,014,000) was delayed slightly.
NASA.....		Aug. 18	Aug. 22	Oct. 6		Not originally scheduled as a separate bill; annual authorization bill cleared Congress Aug. 8.
Military construction.....	June 16					Awaiting authorization bill, budget \$2,937,000,000.
Foreign assistance.....	June 23					Awaiting authorization bill, budget \$3,818,736,000.
Supplemental.....	(2)					Awaiting various authorizations and any last-minute supplements otherwise.

<sup>1</sup> Conference report filed.

<sup>2</sup> Supplemental bill for 1968, for which no reporting date was set, is not listed, but it is scheduled

to carry, in addition to any necessary last-minute supplements, such major items as the antipoverty program.

#### SUMMARY OF THE APPROPRIATION BILLS

The House has considered, at this session, 14 general appropriation bills—2 supplemental bills for the fiscal year 1967 and 12 regular bills relating to fiscal 1968. It has reduced the budget requests for appropriations by \$3,989,000,000, of which \$3,816,000,000 relates to fiscal 1968 bills.

Some \$9,040,000,000 of specific budget requests are *presently* involved in the 3 bills still pending in the Committee on Appropriations of the House.

The committee will continue its efforts to recommend further reductions in the three remaining bills. Opportunities exist for further significant reductions that will very probably bring the total reductions in the House, in the 15 bills for fiscal 1968, to something approaching \$6,000,000,000, not all which of, however, will hold through the conference stages.

**Expenditure impact.**—Of course, not all of such a \$6,000,000,000 of House reduction against fiscal 1968 budget *appropriation* requests would translate into an *equal* reduction from the budget estimate of *expenditures* (disbursements) during the same fiscal year 1968, for the simple reason that, like the normal pattern of events, it was not expected, and thus not estimated that anywhere near the full amounts requested for appropriation for fiscal 1968 would actually also be paid out within the same (fiscal 1968) year. Carryover unexpended balances for expenditure in subsequent years are a normal thing. But, generally speaking, a reduction in appropriation is nonetheless a reduction in proposed spending—in either the same year, the year following, or beyond.

A summary of the bill totals follows:

#### COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONG., 1ST SESS., AS OF OCT. 16, 1967

[Does not include any back-door type appropriations, or permanent appropriations <sup>1</sup> under previous legislation. Does include indefinite appropriations carried in annual appropriation bills]

	All figures are rounded amounts		
	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
<b>A. House actions:</b>			
1. Budget requests for "appropriations" considered..	\$14,411,000,000	<sup>2</sup> \$124,163,000,000	\$138,574,000,000
2. Amounts in 14 bills passed by House.....	14,238,000,000	<sup>2</sup> 120,347,000,000	134,585,000,000
3. Change from corresponding budget requests.....	-173,000,000	-3,816,000,000	-3,989,000,000
<b>B. Senate actions:</b>			
1. Budget requests for "appropriations" considered..	14,533,000,000	<sup>2</sup> 124,234,000,000	138,767,000,000
2. Amounts in 13 bills passed by Senate.....	14,457,000,000	<sup>2</sup> 123,374,000,000	137,831,000,000
3. Change from corresponding budget requests.....	-76,000,000	-860,000,000	-936,000,000
4. Compared with House amounts in these 13 bills..	+219,000,000	+3,134,000,000	+3,353,000,000
<b>C. Final actions:</b>			
1. Budget requests for "appropriations" considered..	14,533,000,000	<sup>3</sup> 85,955,000,000	100,488,000,000
2. Amounts approved in 7 bills enacted.....	14,394,000,000	<sup>3</sup> 84,094,000,000	98,488,000,000
3. Comparison— With corresponding budget requests.....	-139,000,000	-1,861,000,000	-2,000,000,000

<sup>1</sup> Permanent appropriations were tentatively estimated in January budget at about \$15,212,066,000 for fiscal year 1968.

<sup>2</sup> Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, \$980,000,000; House bill, \$925,000,000; Senate bill, \$955,000,000) and for grants-in-aid for airports (budget, \$75,000,000; House bill, \$65,000,000; Senate bill, \$75,000,000).

<sup>3</sup> And participation sales authorizations as follows: Total authorizations requested in budget, \$4,300,000,000; total in House bills, \$1,946,000,000; total in Senate bills, \$4,085,000,000; total enacted, \$750,000,000.

#### SECTIONS 2 THROUGH 5 OF THE RESOLUTION

Sections 2 through 5 of the accompanying resolution present for the consideration of the House a number of selected economy proposals: a *temporary* general stop-order on new projects and activities and on deferrable procurement items; reductions in civilian

personnel; absorption of increased civilian pay costs that would arise from the pay bill voted by the House last week; and reductions in research and development activities. These are submitted at this time especially in response to the desire manifested by a majority of the House when an earlier con-



tinuing resolution was debated and recommended (without specific instructions) to the Committee on Appropriations on September 27, and the further debate had on October 3 when the substitute for the recommended resolution was debated and adopted.

The committee report (No. 724, of September 28) on the substitute resolution stated:

"The committee will carefully review the appropriation actions of the session and determine whether or not it may, prior to adjournment, recommend rescissions of appropriations previously made, giving consideration to the latest revenue outlook and other economic factors at that time."

In the subsequent House floor debate of October 3, various possible approaches, in response to the expressed desire for budgetary reductions beyond the multi-billion dollar reductions made and in prospect in the 15 appropriation bills, were discussed. The possibility of the rescission of funds previously appropriated was discussed. Postponements, deferrals, and stretchouts were mentioned. Expenditure ceilings were debated. It was stated also that consideration would be given to a more generalized approach as against line item rescissions, deferrals, or stretchouts.

Some committee meetings have been held in respect to those appropriations which have been enacted into law with the object of exploring specific rescissions and absorption possibilities. But with only 5 of the 15 appropriation bills cleared to the President it is not feasible to deal with the matter of rescissions on a line item basis even if it were otherwise determined upon. The amounts to be appropriated in the other 10 bills are not yet known; many of the items are still subject to conference adjustment, and some of course are not yet out of committee. A piecemeal or partial approach on a line item basis does not seem either logical or practical.

In the circumstances, then, what the Committee has done is submit some economy proposals on a general across-the-boards basis, but limited and pinpointed as to the objects involved except that in respect to Section 4 dealing with absorption of the civilian pay raise, wide latitude would be allowed to the Executive branch to make room for the absorption. This would comport with the practice of the past in connection with supplemental requests in the latter part of a fiscal year in which a general pay raise has been enacted in the sense that heavy emphasis is always put on absorptions, and provisions permitting transfers between appropriations to enable substantial absorptions within existing funds are commonplace in supplemental pay raise appropriation bills.

#### *Approximate savings*

There will be, of course, great interest in a dollar total of savings to be made under the terms of this resolution. Only a very rough approximation can be made, primarily because so many of the regular annual appropriation bills are still awaiting final congressional action. Other contingencies and uncertainties are involved in any effort to arrive at precise numbers.

Briefly, the effect of section 2 is completely beyond reasonable estimation; section 3 should result in savings of roughly \$560 million under the assumptions and caveats noted below; on the basis of H.R. 7977, as passed the House, section 4 would save \$625 million; again with the assumptions and caveats noted below, section 5 would probably result in savings of \$325 million. Thus, a very rough total, recognizing the uncertainties, would be on the order of \$1,510 million after consideration of all other House action on appropriation bills to date, or \$2,850 million disregarding reductions made to date.

The object and general dimensions and import of Sections 2, 3, 4, and 5 are explained somewhat more fully in the paragraphs that follow.

#### SECTION 2—TEMPORARY SUSPENSIONS

Section 2 is in the nature of a temporary restraining order—during the 30-day period of the resolution—against making obligations for any new construction, research, demonstration, training, service or similar project or activity—with certain generally delineated areas of exception; against making any obligation for procurements that can be temporarily postponed without impairing the national defense or welfare; and against hiring any new civilian personnel—again, with certain stated areas of exception. The major thrust of Section 2 is a general foregoing—a general "stop-order"—on making contracts of various sorts until the appropriation bills and other fiscal actions, and the amounts thereof, are legislatively finalized and become applicable to the functions of Government.

To some extent, the provision dealing with new projects or activities is duplicative of a prohibition customarily carried in continuing resolutions—and carried in the one now in effect—that forbids initiation of new projects or activities until they are provided in a regular bill in due course. But Section 2 is more stringent with regard to the 10 bills still in Congress and it also has application to the 5 bills already enacted.

#### SECTION 3—CIVILIAN EMPLOYMENT

Estimated Federal executive branch civilian employment, projected as of the end of fiscal year 1968, is 2,881,500 as shown in the 1968 budget. Of this total, 2,615,000 are permanent full-time employees and 266,500 are other than permanent full-time employees. The total estimated pay and benefits for these Federal civilian employees, as reflected in the 1968 budget, is some \$23,350,000,000.

There is a widespread and long-held belief among many Members and others that some further reduction in civilian personnel positions would be a good thing—and of course effect some economies. An across-the-board reduction of 5 percent, required by section 3 of the accompanying resolution, applied to the total estimated cost of personnel compensation and benefits would presumably save approximately \$1,170,000,000. Actual savings, however, will be some lesser amount because of the exemptions from this reduction of employment relating directly to the military effort in Southeast Asia and of employment required for the protection of life and property, the impact of which cannot be readily determined. The best rough estimate which can be provided under the circumstances is that the saving could approximate \$900,000,000 or perhaps slightly less. The reductions in numbers of employees, or more precisely, in number of positions, would probably be in the neighborhood of 110,000. Amounts withheld from obligation under this section are rescinded.

It must be noted that the reductions which the House has made in the 12 appropriation bills for fiscal 1968, passed thus far, directly related to civilian employment, amount to about \$340,000,000 involving some 42,000 positions—very roughly calculated. In instances where reductions made in the regular bills have already, or will result in a cut of 5 percent in budgeted civilian personnel compensation and benefits, the general reduction levied by Section 3 of this resolution would not require a further reduction.

It should be possible to achieve a great deal of the reduction by failing to fill vacancies which occur in great numbers. The chairman of the Civil Service Commission told the Committee earlier this year that the turnover rate has increased sharply in the last couple of years. He said that the "new hires" rate for fiscal 1968 was figured at 21 percent, involving some 788,000 employees.

In distributing personnel reductions required by this section, it is the intent of the Committee to require first reductions in departmental administration. The fountainheads of the ever-increasing bureaucracy should sustain the first blow. In this context,

departmental administration means those elements of cabinet offices (or offices of agency heads) and other subordinate offices which have responsibility for policy, planning, and general management of departmental (or agency) functions, i.e., that force which is engaged in general supervisory and administrative direction and control of the various field forces. In turn, field forces are those engaged either directly or indirectly in locally executing law or other delegated or assigned functions. This definition is somewhat more broad than the former "seat of the government", or current reporting on the basis of location within the Washington, D.C., metropolitan area. Significant headquarters organizations exist far from Washington, D.C., particularly, of course, Defense activities.

In making reductions in civilian employment, the section specifically provides that contract employment shall not be resorted to in substitution. Further, it is the intent of the Committee that military personnel are not to be assigned in substitution in the case of the Departments of Defense and Transportation.

#### SECTION 4—COST OF INCREASED PAY

Section 4 of the accompanying resolution simply provides for the absorption, by the Executive branch, of the added cost of such civilian pay increase as may be enacted. The bill pending before Congress (H.R. 7977), as voted by the House last week, is estimated to cost \$625,000,000 in the fiscal year 1968. That bill carried an amendment requiring absorption of the cost of the pay bill in fiscal 1968 to the extent that it exceeded the President's cost estimate—an excess of some \$78 million. Section 4 of the accompanying resolution merely extends the absorption feature to the whole cost. Thus it is the intent of this section that the absorption be within aggregate amounts of appropriations and spending authority otherwise available during fiscal year 1968.

#### SECTION 5—RESEARCH AND DEVELOPMENT

In recent years the Federal Government has poured billions of dollars into public and private institutions and organizations, including colleges and universities, to finance research of one kind or another. In 1940, the Government spent only \$74 million for research and development. During World War II the research, development, and production cost of the atomic bomb was about two billion dollars over a period of about three years. We are now spending more than eight times that much in a given year. Since World War II, federal appropriations for research and development have gone up from about \$800 million annually to about \$17.5 billion.

The purpose of Section 5 of the resolution, the research and development provision, is to save some money and manpower at a time of fiscal crisis, force a reevaluation of research projects, the resetting of priorities, the deferral of projects not essential at this time, and the elimination of marginal projects. It provides a limitation on research and development activities of ninety percent of the budget estimates (as shown in Special Analysis I). Funds withheld from obligation under this section are rescinded.

The limitation is applied to budget estimates so as not to further reduce funds where appropriations have already been or will be reduced by ten percent or more. Reductions in specific programs and projects, made in the regular annual bills, are not to be restored in whole or in part in the reevaluation and resetting of priorities stemming from application of this section.

The impact of Section 5 on the Department of Defense is calculated to effect a total reduction of roughly \$340 million, including the \$164 million reduction already made by the Congress. The intention of the clause, excluding items "directly relating to the current military effort in Southeast Asia or directly relating to the development, test, and evaluation of specific weapons systems"



is to exclude funds under "Operational Systems Development", "Engineering Development" and "Advanced Development". The phrase "Funds available to" means "Total obligational authority".

Specific savings to result from the application of this provision are dependent upon a number of factors including Congressional action yet to be completed on several appropriation bills. It can be assumed, with reasonable assurance, that as a result of the operation of this section additional obligational authority will be withheld to the extent of about \$325,000,000. House or Congressional action to date on the appropriation bills reflect reductions of just over \$1,000,000,000 in obligational authority in R. and D. areas. Thus, if House actions can be sus-

tained, and this section is applied, total reductions in research and development will approximate \$1,325,000,000.

#### SECTION 6—OFFICE OF ECONOMIC OPPORTUNITY

Section 6 provides that obligations incurred by the Office of Economic Opportunity under the authority of the continuing resolution may not exceed the rate that would be provided by an appropriation of \$1,400 million for fiscal year 1968. Without this special limitation the rate could be as high as that provided for by an appropriation of \$1,687,500,000, the sum appropriated for fiscal year 1967. The limitation related to \$1,400 million will provide for a continuation of the program at a funding rate approximately the same as that which has actually prevailed for the first 3 months of this fiscal year.

#### COMMITTEE APPROXIMATION OF FISCAL YEAR 1968 DOLLAR VALUE OF THE JOINT RESOLUTION

Topic	Rough value (gross)	Credit cuts made in the regular bills—by House	Residual value computed
Section:			
3. Civilian personnel costs, 5 percent from the budget estimates (with exceptions).....	\$900,000,000	—\$340,000,000	\$560,000,000
Defense, excluding Southeast Asia.....	(300,000,000)	(—166,000,000)	(134,000,000)
Nondefense.....	(600,000,000)	(—174,000,000)	(426,000,000)
4. Cost of increased civilian pay, absorb a 1 of it (House version).....	625,000,000	-----	625,000,000
5. Research and development 10 percent from the budget estimates (with limited exceptions).....	1,325,000,000	—1,000,000,000	325,000,000
Defense.....	(340,000,000)	(—164,000,000)	(176,000,000)
Nondefense.....	(985,000,000)	(—836,000,000)	(149,000,000)
Total.....	2,850,000,000	—1,340,000,000	1,510,000,000

Mr. Chairman, the debate here this afternoon has revealed that it is easy to be for economy in the abstract but often difficult to be for economy in some specific items. The pending bill would reduce appropriations by about \$1.5 billion yet it has provoked a strong protest. At the same time postponements in appropriations totaling \$5 billion in the abstract and without specification of where the cuts may be made seem not to produce so much concern in the House. Passing the buck to the executive branch for making reductions seems to be not too offensive to Members but specifying exactly where reductions ought to be made seems to cause great consternation. As Representatives of the people, we are not sent here to perform easy tasks. We were sent here to grapple with the stern realities and make the hard decisions in respect to the spending of the taxpayers' dollars.

Mr. Chairman, the gentleman from Oklahoma has moved that the reduction in personnel not be applied to the Post Office Department and to the collection of internal revenue. There is merit in his proposal. Please remember that the Committee on Appropriations was under mandate to bring in a bill to give the House an opportunity to practice economy and to make recisions. This we have done. The committee has provided the House with a vehicle.

The economy atmosphere of last week is somewhat altered when specific cuts came under scrutiny. The consequences of reductions are causing concern.

So here in this instance we have a very serious matter.

It is true, I believe, that some of the agencies are overstating the case, some of these "disaster" letters and fact sheets that are being passed around Congress are very impressive but somewhat misleading. That does not alter the fact that there is a great deal of merit in what Mr. STEED has said. I believe with Mr. STEED

that some adjustments are in order. My object here is to try to put the whole problem in better perspective.

Mr. Chairman, I move that all debate on this amendment close in 5 minutes. The motion was agreed to.

#### AMENDMENT OFFERED BY MR. ROONEY OF NEW YORK TO THE AMENDMENTS OFFERED BY MR. STEED

Mr. ROONEY of New York. Mr. Chairman, I offer an amendment to the amendments offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. ROONEY of New York to the amendments offered by Mr. STEED: Add the following: "law enforcement personnel and overseas personnel."

Mr. ROONEY of New York. Mr. Chairman, my amendment to the pending amendment of the distinguished gentleman from Oklahoma [Mr. STEED] would further exempt all law enforcement personnel and overseas personnel. First, with regard to law enforcement personnel, we know what the situation is with regard to rampant crime in this country today. Are we going to ruin the efficiency of the FBI, the Immigration and Naturalization Service, the Federal Prisons System, the Bureau of Narcotics, the Secret Service, the U.S. attorneys and marshals and all the agencies concerned with law enforcement?

Second, as the distinguished gentleman from Ohio [Mr. HAYS] remarked a while ago, when you bring back for firing the 800 Americans from overseas who are employed by the State Department, you will be committing financial suicide. When you discharge them you have to pay them for accrued annual leave, severance pay, and then pay all their expenses to come back with their families, their household equipment and automobile, which expenses will more than offset any savings.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California [Mr. MILLER].

(By unanimous consent, Mr. MILLER of California yielded his time to Mr. ROONEY of New York.)

Mr. ROONEY of New York. Mr. Chairman, I sincerely thank the distinguished gentleman from California [Mr. MILLER] for yielding his time to me.

I have in my pocket a statement from the State Department indicating what this proposed legislation would do; not only would they have to institute a reduction in force of 800 Americans from overseas posts, but they would also have to fire 500 local employees, many of whom have been in the employ of the United States for a considerable number of years, and are highly valuable and trustworthy.

One of the compelling reasons for my offering of this amendment is to make it crystal clear that the pending resolution will not apply to the agencies I have mentioned. As an example, I set forth at this point a statement which I requested of the FBI indicating the consequences if House Joint Resolution 888 were to be applied against the FBI:

#### EFFECT OF HOUSE JOINT RESOLUTION 888 ON ITS FUNDS AVAILABLE PERSONNEL AND PROGRAMS

1. Sections 3 and 4 of the resolution pending before the House would mean an over-all reduction in funds pending before Congress of—\$13,029,105.00. (5% cut in salaries and personnel benefits under Sec. 3 of \$8,129,105 and pay raise cost absorption under Sec. 4 of \$4,900,000).

2. This reduction in funds could only be effected by reducing its personnel, provided in its request pending before Congress, by 1,748 full-year employees (681 Special Agents and 1,067 Clerks).

"To accomplish this reduction in the eight months left in F.Y. 1968 would require (1) eliminating 2,643 planned appointments during the remainder of the F.Y. 1968 (175 Special Agents and 2,468 Clerks) and (2) removing from the rolls 11/1/67 a total of 1,688 employees (979 Special Agents and 709 Clerks)."

3. A savings of but \$3,129,105 would be possible by the "not filling vacancies" approach—or 38.5% of the total required by resolution pending of \$8,129,105. The remaining \$5,000,000 or 61.5% would have to be effected through a reduction in force.

4. Such drastic cutbacks in personnel would require the FBI to sharply curtail or even eliminate its efforts in the organized crime, civil rights and general crime area of investigative activity. It would also have to cease or drastically curtail its service functions to other agencies and local law enforcement authorities such as fingerprint searches, name checking and scientific examinations. It would provide a "Hey Day" for Crime when the President and the citizenry are crying for crime control emphasis.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I want to call attention to General Release No. 153 that the Post Office Department put out today. It points out that business as usual is going on in the Post Office Department because a delegation of eight men headed by Assistant Postmaster General Dick Murphy is going to go to Bogotá to try to tell the Latin American nations how to speed up their mail.



Mr. Chairman, I suggest that they stay home and speed up the mail here rather than going to Bogotá.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. DULSKI].

(Mr. DULSKI asked and was given permission to revise and extend his remarks.)

Mr. DULSKI. Mr. Chairman, sections 3 and 4 of House Joint Resolution 888 as reported strike at the very heart of our postal service. The impact on the postal service certainly could not have been understood when this language was written in the resolution.

Nearly \$450 million the Post Office Department would have to absorb would come out of the pockets of the city letter carriers, the rural carriers, the clerks, the mail handlers, and the other postal employees. These employees are the key to the entire postal operation. Eighty percent of postal expenses are for employees' salaries and benefits.

If a meat-ax reduction is imposed, as this resolution would do, and applied directly to employment, it would simply mean the loss of 100,000 or more postal jobs.

The Postmaster General has both the authority and the responsibility to cut service under these circumstances. The Post Office Department has a monopoly on first-class mail, and must deliver this top priority mail. If he has only enough money to hire enough employees to handle first-class mail, he will have to cut off all other lower priority mail. He certainly could not accept the vast quantities of second-, third-, and fourth-class mail and store it.

I have heard statements that any major reduction in service of a Postmaster General is "blackmail." I would say that the shoe is on the other foot; an arbitrary cut of \$450 million in funds for personal services would force the Postmaster General, against his will—and contrary to the responsibilities of his office—to reduce or eliminate services he is ready, willing, and able to provide the public if only he is given the wherewithal.

Mr. Chairman, these glaring oversights in House Joint Resolution 888 would be corrected by the amendments offered by the chairman of the Subcommittee on Treasury and Post Office Appropriations, the gentleman from Oklahoma [Mr. STEED]. As chairman of the substantive committee, the Committee on Post Office and Civil Service, I urge the adoption of those amendments.

I include the following statistical statement at this point:

IMPACT OF HOUSE JOINT RESOLUTION 888 BY APPROPRIATION

1. *Administration and Regional Operation.*—Congress reduced the Fiscal Year 1968 personal service estimate by 5 percent. The reduction would have no additional impact on this area. However, the absorption of funding pay cost would require a cutback of 816 positions that were approved for this appropriation. A reduction in force would be required.

2. *Operations.*—The net impact on this appropriation for maintaining personal service costs at a 95 percent level would be a reduction of \$218,166,000. This would require the elimination of 66,900 positions. The combined impact would be a reduction in funds avail-

able to maintain present level of service of \$444,530,000 and elimination of 131,400 positions. This would require—

[Millions of dollars]

a. Embargo on 2d-, 3d-, and 4th-class mail	300.0
b. Eliminate Saturday delivery service on business routes	2.5
c. Provide only one delivery per day on five days of the week on business routes	1.7
d. Eliminate Saturday delivery on city residential routes	39.1
e. Convert all rural delivery to 3 days a week (language clarifying authority may be needed)	33.5
f. Eliminate delivery on 1 additional day per week on all city routes (residential and business)	28.0
g. Forego planned extensions of rural routes	1.5
h. Do not convert presently eligible homes from curb to door delivery service	4.5
i. Return to 1966 levels by reconvert- ing converted door delivery service back to curb	8.5
j. Freeze city delivery—undertake no extensions	13.0
k. Close 1,000 post offices and 50 per- cent of our contract stations	4.8
l. Close all windows at first- and sec- ond-class post offices 1 day a week	6.0
m. Restrict Saturday collection service to the Sunday schedule	1.3
Total	444.4

3. *Supplies and Services.*—The net impact on this appropriation for maintaining personal service costs at a 95 percent level would be a reduction of \$556,000. This would require the elimination of 186 positions. The cost of absorption of the pending pay legisla- tion would be \$425,000 and the elimination of 142 positions. The combined impact would be a reduction in funds available of \$981,000 and 328 positions. This would cause a reduction in force and the disruption of the postal supply service.

4. *Research, Development, and Engineer- ing.*—The reduction in this account would be \$2,314,000 for a flat 10 percent cut plus \$206,000 and 34 positions to cover absorption of pending pay legislation. The total reduc- tion in funds available would be \$2,520,000. This cut would impede the Department's effort to modernize the postal service.

Summary of impact

	Million
5-percent personnel costs and benefits	\$218.7
10-percent reduction in research	2.3
Pay costs absorption	231.0
Total	452.0

NOTE.—Impact on service has been calcu- lated on a January 1, 1968, implementation date.

The CHAIRMAN. The Chair recog- nizes the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Chairman, I want to ask the gentleman from Texas, the distinguished chairman of the full com- mittee—if he has time to answer—what will be the result of this amendment with respect to the recent hearings that the Steed subcommittee, on which I served, has had with respect to where savings could reasonably be made in the postal operation.

Does the chairman still hope that our subcommittee will continue on with that exercise?

Mr. MAHON. I am making no com- mitment at this time as to what the com-

mittee will do on rescissions or reductions in the future.

We have a bill before us now propos- ing certain reductions and we will await developments.

Here is an opportunity for Members to express their will on the vote for this amendment and on other amendments.

The CHAIRMAN. The Chair recog- nizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chair- man, I rise to support the Steed amend- ment. Mr. Chairman, just a few days ago the Members of this House followed our committee in adopting a new pay in- crease for Federal employees, including the postal employees.

You apparently believed us then when we told you about the tremendous prob- lems that the Post Office Department is facing.

I submit to you that the worst kind of phony economy would be to cripple this very important Department of the Fed- eral Government at a time when it is struggling with the heaviest burdens it has had in the history of this country. I guarantee you that the business com- munity of this country is not going to thank this Congress if the mail service grinds to a screeching halt in the major business centers of this country and that is what could happen.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I rise in support of the Steed amendment.

Mr. Chairman, I doubt that there are 50 Members of this House who have not made a speech to postal organizations in the last few months telling them how much they loved them and how much they are in favor of comparability.

Yet, if this provision stands it will result in the immediate layoff of 130,000 postal employees. We will be saying to them, "Boys, we love you; to prove it, we gave you a raise last week—and now we are going to fire you." This amend- ment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I strongly support the Steed amendment.

I spoke at great length earlier today, in regard to what this amendment will do to the postal service and the Treasury Department and, therefore, I hope the amendment is adopted.

The CHAIRMAN. The Chair recog- nizes the gentleman from New York [Mr. RESNICK].

Mr. RESNICK. Mr. Chairman, I rise in support of the Steed amendment.

I would also like to offer an amend- ment to exempt air traffic controllers.

Not too long ago there was a terrible tragedy which resulted in 74 people be- ing killed, including the Secretary of the Navy and his family.

I fly in and out of airports three times a week in a small plane and I know how essential air traffic control is. Are we going to cut back on that service and are we going to wait for the next crash for the sake of economy?

We held an investigation and every- body said that this is a terrible situation. Let us not cut back on air control and



the people we need to keep these terrible, preventable accidents from occurring.

Mr. BOLAND. Mr. Chairman, I support the amendment of the gentleman from Oklahoma exempting the Post Office Department from the provisions of the resolution now being considered by the House.

Not to exempt the postal service would have a very serious impact on the Department. The resolution as has been pointed out by our colleague, the gentleman from Oklahoma, Congressman STEED, would in effect call for the reduction of \$452 million in the budget of the Department. The budget for the fiscal year 1968 has already been worked on by the House Committee on Appropriations under the leadership of Congressman STEED, the chairman of the subcommittee, and the ranking minority member of the committee, the gentleman from Massachusetts [Mr. CONTEL]. These two members and their fellow colleagues on their subcommittee are the best informed Members of the Congress on matters affecting the operation of the Post Office Department. We should listen and follow their advice.

To save the amount of the reduction of \$452 million that this resolution would force on the Department would take some drastic and I believe undesired action. The Department indicates that it would cause the elimination of 132,578 positions. In the face of the mounting volume of mail, such a reduction in personnel would be disastrous in providing adequate mail service to the general public.

In the judgment of the Department, this reduction would place an embargo on second-, third-, and fourth-class mail until June 30, 1968. In addition, a delivery of first class and airmail would be reduced from the present 6 days a week to 4 days a week for both business and individuals. Additional curtailments in service would also be necessary.

Mr. Chairman, the imposition of an embargo is the only equitable way to effect the changes required. First class and airmail may be handled only by the Post Office Department. So, it clearly has the responsibility for maintaining those services. The users of these services pay in postage more than their cost. It is only reasonable that these services should be maintained to the fullest degree possible.

Several trillions of dollars worth of currency, checks, contracts, and valuable material of all kinds move as first-class mail. The maintenance of near normal first-class service would seem to be the highest priority in the public interest—for the well-being of the economy, of business and of the public generally.

The above arguments to exempt the Post Office Department from the provisions have been detailed by the Department. I believe it knows better than other sources what the resolution entails for its own Department. I am convinced by its position and the information developed by the gentleman from Oklahoma, Congressman STEED and the gentleman from Massachusetts, Congressman CONTEL. I join them in support of the pending amendment and trust that it will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON] to close debate.

Mr. MAHON. Mr. Chairman, I trust that the House will work its will on these amendments.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ROONEY] to the amendments offered by the gentleman from Oklahoma [Mr. STEED].

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 67, noes 90.

Mr. ROONEY of New York. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY of New York and Mr. MAHON.

The Committee again divided, and the tellers reported that there were—ayes 102, noes 131.

So the amendment to the amendments was rejected.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Oklahoma [Mr. STEED].

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 111, noes 72.

So the amendments were agreed to.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe it is one of the tragedies of our procedure here that we could not get a record vote on the amendment of the gentleman from New York [Mr. ROONEY] because a great many of our Republican friends like to have their cake and eat it too. They want to talk about crime in the streets. I believe it is fair to point out that of the 121 people voting to cut the FBI about 100 were Republicans.

Mr. RESNICK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New York. I think he wants to talk about the Farm Bureau.

Mr. RESNICK. I had only 30 seconds to go into the air-traffic problem. The gentleman from Ohio flies quite frequently, as I do, and as most Members of this House do.

Does the gentleman not believe this is certainly essential to life and limb?

Mr. HAYS. Yes, I certainly do. All those Republicans who voted that way had better hope that I never get killed in an airlines crash, because I will haunt the hell out of them.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New Jersey.

Mr. JOELSON. I thank the gentleman for yielding.

The gentleman pointed out the effect of the defeat of the Rooney of New York amendment, as to the FBI.

I should like also to point out that we now will have to cut civilian activities in Vietnam. Even the military men have told us those are just as vital to our military involvement in Vietnam as our other programs.

Under this program there is to be an across-the-board cut. In my opinion, it will cut a very vital aid program in Vietnam, which means more to the ultimate

war and peace in that nation than our military effort.

Mr. HAYS. I used the illustration a little while ago of a "Confederate \$3 bill." That is no reflection on the Confederacy, but they are not worth very much except as curios.

I saw one of my dear friends from Chicago who voted the other way. As chairman of the State Department Subcommittee, I believe I ought to write a letter, to make sure he does not use any car and chauffeur on his next trip overseas. We can save a little money there.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I was pleased to join the gentleman in supporting the Rooney of New York amendment. It is noteworthy that the Rooney of New York amendment extended to law enforcement across the board, and it would have safeguarded the retention of personnel in the Narcotics Bureau, as an example, which covers a serious and most important nationwide problem.

A vote against the Rooney of New York amendment was a vote against effective narcotics control.

Mr. HAYS. In other words, those people were voting for more "hippies" and more "pot."

Mr. JOELSON. Mr. Chairman, I move to strike the requisite number of words.

I should like to ask any Member who is in a position to know whether or not the language in this resolution which excepts military spending in South Vietnam would also except such civilian programs as AID in South Vietnam. I believe this is vitally important for the RECORD.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from Texas.

Mr. MAHON. If our aid in South Vietnam is not directly related to the war in Southeast Asia I am unable to comprehend the language. There is no cut whatever in South Vietnam, either in military or civilian personnel, because it is directly related to the current war effort in Southeast Asia.

The military effort and the civil governmental effort and otherwise are all a part of the same tactics.

There is no intent, and no language, which would support a cut of any war effort in Southeast Asia.

Mr. JOELSON. Would the gentleman say that a school in South Vietnam or Thailand is directly related to our military effort in Southeast Asia?

Mr. MAHON. I do not know what kind of school that would be. This would be a matter of decision by the executive branch, under the language of the resolution.

I submit that this is too vital a subject to speculate on.

Mr. RESNICK. Mr. Chairman, will the gentleman yield for a question?

Mr. JOELSON. I yield.

Mr. RESNICK. Would the gentleman, being on the Committee on Appropriations, know, would this also affect the school lunch and school milk programs?



Mr. JOELSON. I am not dealing with those now. I think it would affect every program except those specifically exempted, and those are not exempted.

Mr. RESNICK. They would not come under the heading of protecting the public health and life?

Mr. JOELSON. I did not take the time to answer questions, but to ask them. I might say that I have received "questionable answers."

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. PUCINSKI

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI: On page 3, line 3, after "those" strike out "directly relating to the current military effort in" and substitute "on active duty in".

Mr. PUCINSKI. What this amendment would do, Mr. Chairman, is simply provide that the same kind of cuts we are applying to all civilian personnel, including the personnel that the gentleman from Ohio was talking about so vehemently a moment ago, would also apply to civilian personnel in the Pentagon, the State Department, and the USIA and all of the other agencies except if they are on active duty in Southeast Asia.

I really do not know what the rationale is to blanketedly exclude at a time when we are trying to cut expenses here and trying to avoid a huge deficit—I do not know what the rationale is in blanketedly excepting and excluding from this legislation every civilian who happens to work at the Pentagon. You know as well as I do that if there is some way to tie themselves into Vietnam, they will find it. I do not know how many thousands of people work in the Pentagon and these related agencies, but I would guess and estimate that it involves probably 30,000 to 40,000 people. It seems to me there is just no logical explanation as to why the civilians working here in the United States, in the convenience and comfort of their homes and within the safety of the Pentagon should not bear the same brunt of helping to reduce Government expenses as everyone else.

It seems to me a perfectly logical amendment. It will not do any violence to our Vietnam effort. It will in no way adversely affect the war effort. It does not cover soldiers but only civilian personnel. It does not cover the civilian personnel, as the gentleman from New Jersey mentioned awhile ago, stationed in Thailand, Burma, Vietnam, and Southeast Asia. It only applies to civilian personnel serving here stateside. I just cannot see what the rationale is in exempting these people. I will be glad to yield to the chairman of the committee who can perhaps explain what the rationale is in blanketedly excluding these tens of thousands of people who are really not running any kind of risk in the war effort. I wonder if the chairman or some other member of the committee would be good enough to explain this to me.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the chairman of the committee.

Mr. MAHON. The amendment of the gentleman from Illinois simply narrows the exemption which we have given. We have been most anxious not in any way to hinder the war effort.

Mr. PUCINSKI. We are not in any way hindering the war effort here. On the contrary my amendment will free more funds to expedite and increase the war effort.

Mr. MAHON. This bill restricts this and, in my judgment, applies it only to the people in Southeast Asia. There are people in Okinawa, in Guam, and the Philippines and other places—

Mr. PUCINSKI. How would we restrict the war effort by saying the civilians in the Pentagon will make the same contribution to a reduction in Government expenditures as every other Government employee across the board, including the security people that the gentleman from Ohio just talked about?

Mr. MAHON. There are people serving in many areas, such as Guam, Okinawa, and others related to the war effort. Our proposal is that we not restrict them in any way.

Mr. PUCINSKI. I will accept an amendment to include those territories, but I do not think the people in Washington here in the air-conditioned comfort of the Pentagon should be excluded merely because in some remote way they are related in a job that has something to do with Vietnam.

As the gentleman knows, I am one of the strongest supporters of the war effort in Vietnam and I shall continue to do everything possible to help us win this war against communism as quickly as possible. I firmly believe that reducing nonmilitary expenses is one way of helping make sure that our boys in Vietnam will have everything they possibly need to win the war. I hope the chairman will understand that we are in no way interfering with the war effort when we say that stateside civilians working outside the war zone should make the same contribution toward economy that we are asking all other American civilians to make.

I just do not believe that these people should be excluded. There was some discussion that not everyone has to be in the war zone to contribute to the war effort; that our boys need help from many quarters. I agree with this but all of those in supporting roles are well compensated in their jobs and I don't see how their effectiveness will be curtailed if we ask them to make the same contribution toward reducing the anticipated deficit for 1968 that we are asking all Americans to make. I don't know why these civilians should be given special treatment when their employment in no way places them in any danger as are our boys in Vietnam.

While I'm on the subject of economy, Mr. Chairman, after the last debate on this matter, one of the Chicago newspapers said in its editorial that I said during debate that the wheels of Government would come to a grinding halt if Congress failed to reduce spending by \$3.5 billion.

Mr. Chairman, I never said that. On the contrary, I've been calling for a re-

duction of \$7 billion. What I did say the last time we debated this subject was that if Congress failed to extend the continuing resolution under which our Government is functioning until all appropriations bills are approved the wheels of Government would come to a grinding halt. Everyone here knows that if the continuing resolution is not approved before October 23, most agencies will not be able to expend any more money until their appropriations for 1968 are approved. I want the record to show I continue to support reduction in Government spending until the Vietnam war is brought to a successful conclusion.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

(Mr. MAHON asked and was given permission to revise and extend his remarks.)

Mr. MAHON. Mr. Chairman, this limits the exemption too severely, in my judgment. It would tend to impair or embarrass the war effort in Southeast Asia and certainly would tend to impair our military readiness otherwise. Of course, Mr. Chairman, the rank and file of civilians, the great bulk of the employees in the Department of Defense in Washington are not exempt. Some Members have pointed out the fact, and our report states, that the departmental headquarters would be a good place at which to make reductions. However, in my opinion it would be most unwise for us to risk the application of any cuts to personnel engaged in the war effort.

Mr. Chairman, I move that all debate on this amendment now close.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from California.

(Mr. HOSMER asked and was given permission to revise and extend his remarks.)

Mr. HOSMER. Mr. Chairman, I thank the distinguished gentleman from Texas [Mr. MAHON] for yielding to me at this point.

Mr. Chairman, I wish to point out the fact that all of the people who are supporting the war effort are not located in the Pentagon. There are many thousands of people who are supporting this effort in the naval shipyards of the United States, making necessary repairs to our naval ships in order to keep these ships in service in Southeast Asia. There are people in the ammunition depots and many other vital war-supporting activities. In my opinion the kind of chance-taking language that is concocted by this amendment would certainly be the last thing that the Congress of the United States would want to approve and thereby risk withdrawing support to our fighting men which they need to protect their lives and safety.

Mr. MAHON. Mr. Chairman, I renew my motion that all debate now close on the pending amendment.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PUCINSKI].



The amendment was rejected.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike the last word.

(Mr. BYRNES of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. BYRNES of Wisconsin. Mr. Chairman, most of the discussion with respect to the proposal which has been presented to us by the Committee on Appropriations relates, it seems to me, primarily to sections 3 and 4—but, there are some exceptions that are contained in sections 3 and 4 that I think we now lost sight of.

Mr. Chairman, I am a little amazed that the chairman of the Committee on Appropriations, the distinguished gentleman from Texas [Mr. MAHON], does not defend his proposal with a little more diligence.

I say that, Mr. Chairman, because contention has been made that this would impose a restriction upon the number of people that could be employed, for instance, by the FAA in Air Controller groups. We have been given to understand that it is going to lead to a great deal more accidents if such a proposal is adopted.

However, Mr. Chairman, as I read both of these sections—and I think it is the intention of the chairman and the intention of the Committee on Appropriations—that position involving the safety of human life and the protection of property is exempt from the restriction. Mr. Chairman, am I right in that assumption?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman from Wisconsin is eminently correct in his last statement as to life and safety. But he is strictly in error and out of order in his criticism. This language appears at several places in the resolution which is pending before us. Of course, the air controllers would probably be considered as exempt as well as others whose positions relate to the safety of human life and to the protection of property.

Mr. BYRNES of Wisconsin. And would not that also involve the law enforcement agencies? It seems to me that the basic reason that we have law enforcement is for the protection of the safety of individuals and for the protection of property.

Mr. MAHON. Mr. Chairman, will the gentleman yield further?

Mr. BYRNES of Wisconsin. I yield further to the gentleman from Texas.

Mr. MAHON. I think, to some extent it does relate to law enforcement, particularly the people who are actually physically engaged in the business of law enforcement as contrasted to those people who, for example, are involved in the gathering of law enforcement statistics.

Mr. BYRNES of Wisconsin. The gentleman from New York [Mr. ROONEY] talked about law enforcement officers and crime on the streets, and that this legislation was going to interfere, and there would be greater crime on the streets. I thought the chairman of the Committee on Appropriations had taken precautions against that. All I want to know is

whether I am right in interpreting what the committee is doing, or if the gentleman from New York [Mr. ROONEY], a member of the committee, is right in his interpretation? Who is right?

Mr. MAHON. I would say that the resolution itself, and the committee report, speak for the position of the committee, and make clear that people in occupations relating to the safety of human life and the protection of property are excluded. Many of the allegations of harmful effects of this resolution cannot be substantiated, but since we have freedom of speech generally I did not want to take the time of the House is repeating and repeating what is perfectly obvious.

Mr. BYRNES of Wisconsin. I can only hope then that we make the RECORD clear so that the public understands that some of these references to what this bill will do are far from reality.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. Yes, I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I want to commend the gentleman for making this point. There have been a number of instances this afternoon at which certain employees of the Department of Transportation, particularly employees of the Federal Aviation Administration, have been mentioned. I read section 3 as does the gentleman. It exempts those involved in the safety of human life, or the protection of property, and as I understand the intent that would exempt those FAA employees directly involved with aircraft traffic control, maintaining flight standards, and the safety of aircraft otherwise. It would also exempt those who are directly engaged in the safety of railroads and highways and automobiles. Also, most of the personnel of the National Transportation Safety Board would be excluded.

Mr. BYRNES of Wisconsin. I thank the gentleman for his comments and clarification of the provisions and intent of the proposal now before us.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, listening to the colloquy a few moments ago I cannot think of anything more phony than the amendment offered by the gentleman from New York [Mr. ROONEY]. The chairman of the Appropriations Committee, the gentleman from Texas [Mr. MAHON] has just agreed with the gentleman from Wisconsin [Mr. BYRNES] that the language stated and restated in the resolution takes care of the Federal Bureau of Investigation and other agencies dealing with law enforcement and public safety.

Moreover, I am interested in the fact that only last week the House approved a pay increase bill which carried as one of its provisions the absorption of a good deal of the increase in pay by the various departments and agencies of this Government.

Now, today, by the exemptions being written into this resolution, some of you are running away from the bill you voted

for last week. If consistency is a virtue it is being abused here today.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 3, after line 18, insert the following new section:

"SEC. 4. Funds available or becoming available to this United States Corps of Engineers shall not be available for the disposal, the discharge or the dumping into Lake Michigan of any polluted dredged material."

And renumber the following sections.

Mr. YATES. Mr. Chairman, I enter this zone of contention with some trepidation.

This is a simple amendment. This is an amendment which will stop the further pollution of Lake Michigan by the Corps of Engineers. Realistically, my amendment should be directed to all of the Great Lakes. The Corps of Engineers ought to be prohibited from dumping polluted dredgings into any of the Great Lakes because the condition of the Great Lakes is becoming a national disgrace. The Corps of Engineers is adding to the contamination of the lakes by the dredgings they are dumping into them.

But I happen to know something about Lake Michigan and that is the reason I have limited my amendment to the lake upon which my city is located.

This amendment will stop the Corps of Army Engineers from continuing—and I use the word "continuing"—to dump polluted material into Lake Michigan, which the Engineers admit they are now doing.

In a hearing last week before the subcommittee of the Committee on Government Operations, General Woodbury of the Corps admitted the Engineers were transferring polluted material—definitely polluted material—from Indiana Harbor out into Lake Michigan, dumping it into an area which is 8 miles off the coastline of Chicago and 4 miles from the cribs which are used as intakes for the drinking water for Chicago.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. HAYS. I think the gentleman would do better to get some other bill to add this amendment on because this is a pretty lame bill and in my opinion it should be defeated.

Mr. YATES. I share the gentleman's opinion about the bill, but it is the only vehicle at hand.

In the hearing last week it was admitted by the corps that their dredgings contained oil, pollution of all kinds, chemicals, detergents—all were being dumped into Lake Michigan.

The purpose of my amendment is to try to prevent the condition of Lake Michigan from deteriorating into the unhappy condition of Lake Erie. Did you know that Lake Erie is considered to be a dying lake? Do you know that it is suffocating from the incredible amounts of pollutants that are poured into it by industries and municipalities along its shores? There is a dead spot right in the center of Lake Erie where no fish live as a result of these pollutants. Lake Erie is becoming so foul that the area



covering thousands of acres has no fish at all. Many of its bathing beaches are closed. And among the offenders who dump pollutants, chemicals, and all kinds of refuse into the lake is the Corps of Engineers through their dredgings.

My amendment would prohibit further pollution by the corps. I propose that they be prohibited from dumping polluted dredgings into the lake.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. HALLECK. If your amendment is adopted, will you join me in an effort to rescind the money for that Federal park that you are so strong for in my district that my people do not want?

Mr. YATES. I do not see how that bears on this question; but I hope the gentleman will join with me in preventing the further pollution of Lake Michigan along the dunes shore so that the people who use that area's bathing beaches can swim in clean water.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. YATES. I yield to the gentleman.

Mr. HALLECK. What is the position of your Governor in Illinois on this matter that you are talking about of dumping this pollution?

Mr. YATES. I think the gentleman ought to address Governor Kerner directly. He would be glad to reply.

(Mr. YATES asked and was given permission to revise and extend his remarks.)

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment and now yield to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, I want to call your attention to something that the gentleman said facetiously, I am sure. He said that it was a simple amendment. It is also a very drastic amendment for it has the effect of stopping essential maintenance dredging required to maintain navigation in the numerous harbors and channels in the Lake Michigan area.

We spent \$1 million in 1967 and we have \$5 million in the bill this year for a pilot program by the Corps of Engineers to find out alternative ways of disposing of dredging materials without incurring prohibitive costs compared with the current program.

This pilot program is investigating all alternate disposal methods such as along-shore diked areas, disposal at some distance inland from the shore, and treatment methods and evaluating pollution abatement results.

Five localities have been selected for pilot programs including projects at Green Bay, Cleveland, Toledo, Detroit, and Great Sodus Bay. In the Chicago area, the use of on-shore disposal areas shows great promise and such areas are being actively explored in connection with the forthcoming maintenance dredging on the Calumet River.

As soon as an acceptable, alternate method of dredge disposal has been agreed upon, and at the earliest possible time, the corps plans to take appropriate budgetary action to secure the necessary funds.

Because of the high additional costs that would be involved in using alternate disposal methods, it is essential that the results of the pilot program be available before any drastic action is taken to disrupt and stop the current maintenance program of the corps. For example, it is tentatively estimated that just for the 15 Lake Erie harbors it would require an initial outlay of \$110 million to provide along-shore diked areas to handle 10 years of dredging. The added cost of amortizing these diked areas, plus the added handling cost of placing material in them, would increase the present annual cost from \$3.5 million to about \$19.5 million. To extend such a program for providing alternate disposal areas to the 108 channel and harbor projects in the Great Lakes area could result in hundreds of millions of dollars in additional cost.

I would also like to state that the corps has been disposing of dredged material for decades by using selected dumping areas in the Great Lakes which have been selected in coordination with city and State authorities so that the dumping will not interfere with beaches or water intakes. And the corps claims that it has no evidence anywhere on the Great Lakes that the dumping has adversely affected either beaches or water intakes.

Certainly, until we can devise workable alternatives, we must maintain the navigation channels and, therefore, I am opposed to the amendment of the gentleman from Illinois.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I join with the distinguished chairman of the Subcommittee on Public Works in opposing this amendment. I thought this afternoon we were engaged in an economy wave here. But here is an amendment that will cost the Federal Government a great deal more, as has been pointed out by the distinguished chairman of the subcommittee. We have already appropriated \$1 million to initiate a pilot program in 1967 in an effort to solve the problems of disposal of dredging materials in the Great Lakes area.

This amendment would have the drastic effect of stopping essential maintenance dredging planned this year on several harbors and channels in Wisconsin, Illinois, Indiana, and Michigan. It would have a serious adverse affect on the navigation traffic in the Lake Michigan area.

As the gentleman has said, this year we have in the public works bill \$5 million more to continue with the pilot program. This is where we will get the answers to the problems that are affecting the gentleman from Illinois and many more Members who are concerned with the Great Lakes. In the meantime we must continue to perform the essential maintenance dredging which would be prohibited by the amendment.

Mr. YATES. Mr. Chairman, the arbitrary curtailment of time for debating my amendment is unfortunate.

My amendment was a direct statement against further pollution of Lake Michi-

gan. The arguments against it by my colleagues on the Appropriations Committee will permit the pollution to continue. They point to an appropriation approved for the Corps of Engineers to engage in a study of alternate methods of dumping their dredged spoil which will take another year at least. They argue that the present practice of the Engineers in dumping polluted spoil into the lake should be continued in interim. "Let pollution continue," they contend, "until we have a feasible alternate."

Mr. Chairman, that is the same argument that has been made over the years and decades in an attempt to justify the increasing pollution of the lakes. When will it be stopped if not now? This is not a new threat. As a matter of fact, the Engineers received \$1,000,000 from the Congress last year for their first study of alternate methods to dumping in the lakes. This year they have received \$5,000,000 in this budget. Will the same study be continued for the next year—and the following year—and years thereafter while the same disgraceful dumping of pollutants continues? When would my colleagues stop the practice—if they would? I say the time is now, not some uncertain time years hence.

Lake Erie is pretty well contaminated already. Are the other Great Lakes to be subjected to the same slow death while the Engineers, who already must know what other methods are available, continue their various ruinous methods of disposing of dredgings.

The Great Lakes combined are the single greatest water resource in this Nation. We have been most profligate in our dealing with them. It is time we took determined and specific action to protect the lakes from the spoilers—including the Corps of Army Engineers.

I include the following at this point:

[From the Chicago Daily News, Oct. 3, 1967]  
DEATH SENTENCE FOR LAKE DESPITE POLLUTION  
BATTLE—REPRIEVE 10 YEARS OFF

(By Henry DeZutter)

None of the states bordering Lake Michigan has promised to control algae-inducing pollutants for at least 10 years.

And it is algae-inducing pollutants that experts believe are killing the lake.

The fact that there are no commitments to control them has been discovered in an examination of pollution control programs submitted to the federal government by Illinois, Indiana, Wisconsin and Michigan.

The state programs call for reducing most industrial and municipal wastes by 1972. But the key, algae-inducing pollutants—called nutrients—wouldn't be controlled until 1977.

Nutrients fertilize the growth of the stringy, green algae that are slowly choking Lake Michigan to death.

Vinton Bacon, superintendent of the Metropolitan Sanitary District—which keeps Chicago-area wastes out of the lake—says the 10-year deadline is "incredibly short-sighted."

"A lake lives but once," he said in an interview, "and this program could stamp the seal on the death warrant for Lake Michigan."

Water experts contend that continued algae fertilization would soon kill Lake Michigan, as it did Lake Erie.

The nutrients that feed lake-choking algae come mainly from detergents. They also are present in sewage, even after it is treated up to present standards, and some industrial waste.



Indiana's program, already approved by the U.S. Interior Sec. Stewart Udall and hailed as stringent, does not mention nutrient control for its Lake Michigan tributaries.

The three states that envision nutrient-control have written into their programs "escape" clauses permitting extensions of the 1977 deadline, if technology doesn't produce a financially feasible solution. Their plans still await federal approval.

Michigan's nutrient-control proposal filed with the Federal Water Pollution Control Administration states:

"The long-term objective is to require that phosphates traceable to all industrial and municipal waste sources be controlled on or before June 1, 1977."

Wisconsin's promise is a little weaker:

"The department (Wisconsin Department of Resource Development) is vitally interested in the nutrient problem and hopes that a solution is available in the next 10 years but can make no commitments at this time."

The Illinois proposal, prepared by the Illinois Sanitary Water Board, says:

"The reduction of nutrients . . . should be accomplished, where deemed necessary, within the next 10 years, or as practical technical methods are developed."

Although experts have warned for years that the algae menace poses the greatest ultimate threat to Lake Michigan, it has been virtually neglected until recently.

Even the joint U.S.-Illinois-Indiana Conference on the pollution of southern Lake Michigan excluded the problem of nutrient pollution.

Public interest has escalated, though, as more and more of the stinking, slimy algae weeds have washed ashore—fouling beaches and interfering with swimming and boating.

More than an aesthetic nuisance, the algae also clog water intakes, increase water purification costs and choke off the oxygen supply from desirable fish life. When algae growth reaches a stage where desirable fish no longer survive, as in Lake Erie—a lake is said to be "dead."

Illinois is not exempted from the list of nutrient polluters.

Pollutants are discharged into the lake from largely inefficient waste-treatment plants run by the North Shore Sanitary District in Lake County.

These include large plants in Waukegan and Highland Park and smaller plants in Lake Forest and Lake Bluff. Two Lake County based U.S. military installations—Fort Sheridan and Great Lakes Naval Training Center—also flush nutrient-enriched wastes directly into the lake.

Albert C. Printz, water-quality standards officer for the Great Lakes region of the Federal Water Pollution Control Administration defends the 10-year deadline for nutrient control.

"It's the best we can hope for given the sad state of technology in this field," he said. "I hope technological breakthroughs can speed the development of feasible nutrient control methods, but it's only a hope."

Sanitary District Supt. Bacon rejects this view as "short-sighted."

"The lake is a priceless asset. Nothing should be too expensive to save the lake," he said.

[From the U.S. Bureau of Fisheries, Ann Arbor, Mich., Oct. 19, 1961]

#### THE CHANGING ECOLOGY OF LAKE ERIE

Erie is a rapidly changing lake and the progressive changes are threatening gravely its value to the public for all uses. The aging process of a lake is usually slow and subtle, and frequently goes unnoticed in a lifetime of man. When lakes are used for the disposal of industrial and human wastes the aging process can be greatly accelerated as has been thoroughly documented in Lake Zurich in Switzerland and Lake Washington near

Seattle over the past 50 years. Never before, however, has such a dramatic process of premature aging been detected in a lake the size of Lake Erie with its 10,000 square miles of surface area.

Any thought that Lake Erie, because of its size, is an indestructible freshwater resource, has perished. Indeed recent evidence has shown that the lake is rapidly becoming useless for things and practices that once were traditional. The urbanization and industrialization of the area surrounding Lake Erie and the Detroit River created a pollution load that has resulted in vast changes in the physical, chemical, and biological characteristics of the lake. These changes once noticeable only in the bays and shore areas have spread throughout the lake, and now are a matter of grave concern to all who have an interest in, or who depend on this freshwater resource. Bathing beaches have become unusable; preferred species of fish are no longer abundant; contamination of domestic water supplies offers an ever-increasing problem; and shore and harbor areas are becoming more difficult to keep clear for boat traffic.

Lakes age physically, chemically, and biologically. Progress of physical and chemical changes may be inconspicuous, but they are cumulative. Over 2.6 million tons of silt enter Lake Erie in a year. Gradual filling makes the lake shallower and warmer. The use of lake water as a coolant in power plants can also contribute to warming. An estimated 1.9 trillion gallons of water from the Great Lakes was used by steam-electric-generating plants in 1959. In addition, several atomic-power stations are being built on the lakes because of their great requirement for water to cool the reactors. Practically nothing is known of the consequences of increased temperatures on thermal pollution." Some fish are attracted to the warm waters and large numbers die, and others are known to have very sensitive temperature requirements at critical life-history stages. Undoubtedly, as with other types of pollution in the lakes, the immediate effects of "thermal pollution" will be subtle, and difficult to measure.

Evidences of chemical pollution are clear-cut and impressive. Untreated and inadequately treated domestic waste of millions of people in communities bordering or near Lake Erie is entering the tributaries and marginal waters of the lake. In addition, the organic industrial waste load entering Lake Erie in 1953 was estimated to be equivalent to a population of about 900,000 by the U.S. Public Health Service. Inorganic industrial wastes, including toxic substances, have been reported in many analyses of tributary streams and lake waters. The concentrations of most dissolved chemicals have increased during the last 50 years. Calcium, magnesium, sodium, and sulfates show increases ranging from 1 to 10 ppm. Chlorides showed an increase of from 10 ppm in 1930 to 20 ppm in 1958. Total dissolved solids have increased steadily at an average rate of 1 ppm per year. Evidence exists that the concentrations of nitrogen and phosphorus compounds have doubled. Very low concentrations of dissolved oxygen in the central basin of Lake Erie have occurred during the summer in recent years—a positive indication of overenrichment resulting from the excessive introduction of organic pollutants. This condition has previously been unknown for a body of water the size of Lake Erie.

The biological consequences of increased physical and chemical pollution of Lake Erie have been spectacular. The mayfly nymph was once the most abundant fish-food organism inhabiting the bottom of Lake Erie. These clean-water organisms averaged about 400 per square meter of lake bottom for many years; today they average about 40 per square meter. The adult mayflies that once piled up under street lights and store windows are no longer evident.

Pollution-tolerant worms have increased from 12 to 551 per square meter, and midge larvae (the type that can withstand low-oxygen conditions) from 56 to 299 per square meter since 1929. The bacterial load, at the outlet of the Detroit River increased three-fold between 1913 and 1946-48. Major changes have also occurred in the fish populations. The once abundance cisco, whitefish, and blue pike that prefer clean water have all but disappeared. The lake is no longer an ideal habitat for the walleye and yellow perch. The less desired yet more tolerant species such as white bass, sheepshead, smelt, and carp are more abundant. Reports of fish kills are becoming increasingly common.

The status of Lake Erie as a useful freshwater resource has become uncertain. As impressive as the conspicuous changes have been, there may still be more dire consequences from slow and yet undetected accumulations of the common detergents and toxic chemicals that continually enter the lake. Lake Erie can be described accurately as a dying lake, and because of the subtle cumulative effects of sewage and industrial wastes, it may be dead even before we are aware of it.

Mr. MAHON. Mr. Chairman, I yield no longer. I ask unanimous consent that all debate on the amendment and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. YATES. Mr. Chairman, I object.

Mr. MAHON. Mr. Chairman, I move that all debate on the amendment, and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. RHODES of Arizona. Mr. Chairman, I move to strike the requisite number of words.

(Mr. RHODES of Arizona asked and was given permission to revise and extend his remarks.)

Mr. RHODES of Arizona. Mr. Chairman, this is the fourth time this year we have had a continuing resolution on the floor of the House of Representatives. Frankly, if you were to pin me down and ask me what the resolution would do to the Government, I would have to tell you I do not know. It is very complex, very far-reaching, and I doubt that all its ramifications are known by anyone in this chamber.

Mr. Chairman, I think it is a sad situation that we find ourselves for the fourth time in one year going through this exercise of voting on a continuing resolution. Certainly it must have come to the minds of others, as it has to mine, that there must be a better way to run a Congress than this.

I do not know why it is necessary to have these continuing resolutions come up. But here are the facts as I know them.

Some few years ago it became in vogue to have annual authorizations of certain matters which later became subjects of appropriations. We have annual authorizations for appropriations for NASA, for foreign aid, for military construction, for the Atomic Energy Commission, and



other programs. Mr. Chairman, this takes time, and it should take time. The Members of the legislative committees involved in these very important matters should give them the legislative oversight which it is their duty to give. But the result is that the appropriation subcommittees get these matters so late in the fiscal year that it is absolutely impossible for them to complete their work before the end of the fiscal year.

So it becomes necessary to go through this exercise of adopting continuing resolutions time after time after time. Many of us remember the year when we actually had a continuing resolution in effect, until Christmas eve.

I do not know exactly what the answer is, but I have introduced a little bill, and if this sounds like a commercial, so be it. I have been introducing it for some time. I think it might be of some help. The bill would provide that the fiscal year would be the calendar year. This measure would allow the legislative committees to do the proper job of legislative oversight, to come out with proper authorization legislation, and then it would enable the appropriations subcommittees to do a proper job of screening the expenditure requests and come up with a completed job of appropriations. Appropriation bills would be adopted before the end of the fiscal year, without the hasty actions we have taken under continuing resolutions.

I submit that under the present situation my own committee, of which I think very highly—and please do not construe this as any criticism of our fine chairman, or the able members of the Appropriations Committee—but we are not doing the job which this Congress and the people expect us to do.

We are not doing the job which the country expects us to do, and until we can change the system under which we are operating we will not be able to do it. We will be coming up year after year with continuing resolutions, with provisions in them which have been conceived in haste, and which many times, have meanings which are unclear and uncertain. Furthermore, the departments and agencies do not know the expenditure level at which they must operate until much of the fiscal year has passed. This certainly does not make for efficiency. I think it is up to the House to do something about cleaning up this resolution by adopting a motion to recommit. Certainly the gentleman from Ohio has a motion to recommit, which makes sense to me, because it sets a dollar limitation and then lets the administration decide where the cuts shall be. We have heard responsible Members of this Congress express grave doubts as to the effect this resolution would have on vital functions of this government. This situation could be mitigated if the power to allocate the expenditure cuts were given the President.

If the Members think this is giving power to the President he does not now have, I dispute that, because the President can reserve funds now, as we have seen.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I would have to agree with the gentleman this does not give the President power which he does not now have, but it would give him a right which he does not now have, in my opinion.

Going further, I would like to say our Committee on Appropriations could proceed with its hearings and be ready to report a bill, and then advise the leadership that we are ready for authorization, by a legislative act or a rule. That is one way it might be handled.

Mr. RHODES of Arizona. Mr. Chairman, I think to do that would be to take a very important function away from a legislative committee, and I would never want to do that.

Mr. WHITTEN. I do not mean to say that. We would not report until authorized. There are two ways the Congress could authorize.

Mr. RHODES of Arizona. What the gentleman suggests can and has been done. I would hope it would not have to be done in many instances. I would hope we would take a good long look at what this body ought to be doing in directing the fiscal operation of the Government. The Constitution charges Congress with the responsibility for appropriating funds. I submit to this body that we can carry out that responsibility better than we are now doing.

#### AMENDMENT OFFERED BY MR. HAYS

Mr. HAYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS: On page 3, after line 18, insert: "The Appropriations Committee is hereby abolished."

Mr. HAYS. Mr. Chairman, I supposed somebody would make a point of order against this, but since no one has, maybe we ought to get a vote on it.

Obviously I am not completely serious about this, but, on the other hand, I do not know that it would hurt very much. The Appropriations Committee has the House tied up pretty much in knots, and no two people in the committee can agree on what the resolution does.

We did not have an Appropriations Committee until the 1920's. The authorizing committee was the appropriating committee—I think it was until some time in the twenties—and if we are going to be tied up in situations like this, every year, year in and year out, as the gentleman said until Christmas Eve—maybe we ought to abolish the committee.

I am not so sure it is the fault of the authorizing committee, and, to be fair, I am not so sure it is the fault of the Appropriations Committee of the House. It seems to me the blame lies with the Appropriations Committee on the other side, but if we abolish ours, maybe they would have to abolish theirs, and it would not be too bad an idea.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I realize the gentleman from Ohio offered this motion in a facetious mood. At least, I hope so.

The Committee on Foreign Affairs, of which the gentleman is a member, has had since last winter to bring out a for-

eign aid authorization bill so we could get the appropriation bill on the floor. We do not yet have the authorization, and I do not know when we will have it, and we cannot adjourn until we get it. This is part of our problem.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I concede what the gentleman says is true, and we have been in conference, and on two occasions the the Foreign Relations Committee in the other body has taken off—in one instance for 10 days and in another instance for about a week now. So please do not blame that on the House Foreign Affairs Committee.

Mr. MAHON. Mr. Chairman, I shall not move to abolish the Committee on Foreign Affairs.

Mr. HAYS. It might be a good idea.

Mr. MAHON. Mr. Chairman, I ask for a vote.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words.

I had not intended to make any comments regarding this resolution, but as I read it, I have several reservations about it.

If I read section 3 correctly, this would penalize the agencies which really have been squaring with the Congress and have been trying to hold expenditures down. It would penalize them.

If I read this correctly, it says:

Funds available or becoming available to the several executive departments, agencies, corporations, and other organizational units for obligation for civilian personnel compensation and benefits for the fiscal year 1968—

Then it has certain exclusions about South Vietnam, and says:

shall not be available for such purposes beyond 95 per centum of the amounts estimated therefor in the budget for 1968 (H. Doc. 15) as amended.

I do not want to name agencies, because I would not want to exclude some. There are some fine agencies which have been holding the line. They squared with us on the Appropriations Committee and the legislative committees, so they get certain amounts in the budget. There is no increase or little increase in personnel in many instances.

Another agency might get an increase of 2,000 personnel or 3,000 personnel. Perhaps they need some of them but if I read this correctly, even if the Appropriations Committee concerned with that department cut the request from 2,000 personnel to 1,000, if they had requested 2,000 personnel in the 1968 budget, the 95 percent would apply to the 1968 budget and not to what the Appropriations Committee did.

That would be the case, unless I read it wrong. I would like to have someone correct me.

Am I correct in that, Mr. Chairman?

Mr. MAHON. The gentleman's statement is a bit complicated.

Mr. CEDERBERG. It does not seem complicated to me.

Mr. MAHON. Please, what is the specific question?



Mr. CEDERBERG. As I read section 3, on page 3, it says that the funds "shall not be available for such purposes beyond 95 per centum of the amounts estimated therefor in the budget for 1968."

It does not say what is appropriated for 1968. It refers to what is in the budget.

If there were an agency which had no request for additional civilian personnel, that agency would get a cut of 5 percent. Do I understand that correctly?

Mr. MAHON. That is correct.

Mr. CEDERBERG. If another agency had a request for 2,000 more personnel, and in the wisdom of the Appropriations Committee it was cut to 1,000 personnel, they would take the 5 percent not from the 1,000 added by the Appropriations Committee but from the 2,000 in the budget.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. MAHON. There would be no cut in the agency that had requested 2,000 additional personnel, if they had already been cut by 5 percent or more in other bills this year.

Mr. CEDERBERG. No. If I read this correctly, if they had a request for 2,000 personnel and that was cut to 1,000, they could, under this, go up to 95 percent of what they asked for in the budget.

Mr. MAHON. No. This would cut them by 5 percent below the budget if Congress had not already cut them by that much or more.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Ohio.

Mr. HAYS. I want to thank the gentleman, because he is making a terrific argument for my amendment to abolish the committee. He is showing how mixed up it is.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from New Jersey.

Mr. JOELSON. I am not so surprised by the proposal of the gentleman from Ohio [Mr. HAYS] to abolish the Appropriations Committee, because the amendment to be offered by the gentleman from Ohio [Mr. Bow] which will come later, would turn everything over to the President and in effect abolish the Congress.

Mr. CEDERBERG. That is where the gentleman is completely wrong. I believe that if we are going to have a sensible spending limitation we are going to have to adopt a total spending limitation to make any sense.

If you read this, gentlemen, you will find all kinds of exceptions we automatically give to the President. It refers to the President "in his discretion may prescribe" in many instances.

I see no effective way in which we can hold down spending except by adopting something like the Bow amendment, which I would hope would be a substitute.

What it does is it would hold spending to \$131 billion, which is \$5 billion less than anticipated but is still \$6 billion over last year. It seems to me that is the most sensible approach.

Mr. MAHON. Mr. Chairman, a parliamentary inquiry. Is an amendment pending before the House?

The CHAIRMAN. There is.

Mr. MAHON. On that I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HAYS].

The amendment was rejected.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: On page 3 immediately after line 18, add the following:

"Sec. 4. Funds available or becoming available for obligation after the date of approval hereof for the development or construction of civil supersonic aircraft shall not be available for such purposes. Amounts withheld from obligation pursuant to the provisions of this section are hereby rescinded and shall be covered into the Treasury."

And renumber the other sections accordingly.

(Mr. OTTINGER asked and was given permission to revise and extend his remarks.)

Mr. OTTINGER. Mr. Chairman, I am wholly in accord with the efforts that are being made to cut nonessential expenditures within this body. I think it is something that badly needs doing. Faced by a \$29 billion deficit or an inequitable 10-percent tax surcharge, cutting nonessential spending is by far the best alternative.

I think there is no more unnecessary expenditure than that which we have authorized and for which we have appropriated almost \$700 million so far for the supersonic transport. This is so unnecessary and such an unsound venture that our great free enterprise system engaged in the manufacture of the aircraft is not willing to invest more than 10 percent of their own funds toward the accomplishment of this goal.

The SST, if it comes into being at all, is going to create a noise problem the likes of which we have never heard. Those of you who represent areas where people live near and around airports already have their constituents screaming with protest against the terrible noise problem they have. These protests are going to be redoubled if this plane comes into being. This will be a very serious hazard, I believe.

If the SST is really so good, I believe private enterprise would support it more than it is. There is no reason why we should get ourselves so involved in this effort which is eventually estimated to require some \$5 billion in Federal funds. I think if we are going to cut nonessential spending, this is the area in which it is most propitious to begin. I urge the adoption of my amendment.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman.

Mr. MacGREGOR. As I indicated during general debate, I have had at the Clerk's desk and pending for some 3 hours an amendment to rescind this year's appropriation of \$142,375,000 for the civilian supersonic aircraft development. According to the advice of coun-

sel for the Committee on Appropriations, my amendment would not have been in order until after a complete reading of the bill since my amendment would have incorporated a new subsection 7. My purpose in asking the gentleman to yield to me at this point is to ask him whether or not the intent, purpose, and effect of his amendment would be the same as my amendment. The plain question that I wish to ask is this: Would the adoption of your amendment leave remaining for expenditure the \$124.5 million now in the SST pipeline of funds appropriated by this Congress in previous years up to and including fiscal year 1967?

Mr. OTTINGER. It does. My amendment does exactly the same thing as the gentleman's and applies only to the funds available or becoming available for obligation after the date of approval thereof.

Mr. MacGREGOR. I think the amendment which has been proposed by the gentleman from New York and the text of my amendment do not fit into the same pattern.

Mr. OTTINGER. I have not seen the amendment which has been proposed by the gentleman from Minnesota [Mr. MacGREGOR]. I tried to locate him earlier.

Mr. MacGREGOR. The amendment has been pending at the Clerk's desk for some 2 or 3 hours.

Mr. OTTINGER. I am glad to join with the gentleman from Minnesota in our efforts to accomplish the same objective.

I am fully aware of the fact that the gentleman also has a bill, which I also sponsored, designed to accomplish this purpose, bills introduced as separate pieces of legislation.

Mr. MacGREGOR. I have been trying to do this for 1½ years.

Mr. Chairman, I congratulate the gentleman from New York [Mr. OTTINGER] upon his efforts along similar lines.

Mr. OTTINGER. Mr. Chairman, I congratulate the distinguished gentleman from Minnesota for his leadership and I am glad to join with the gentleman in this effort.

Mr. KIRWAN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. KIRWAN asked and was given permission to revise and extend his remarks.)

Mr. KIRWAN. Mr. Chairman, I do not plan to speak on the pending amendment, but I would like to comment on expenditures for the public works program which seems to be a very popular target these days when we are considering budget reductions.

Almost daily in connection with possible spending cuts some expert is quoted as stating that one area to make substantial reductions would be in the public works appropriation bill. Some suggest a nice round cut of \$1 billion in public works. To the extent they are referring to the funding of rivers and harbors and irrigation projects, perhaps it is time we look at the facts for cuts of this magnitude are just not possible regardless of the merits of the question.

Let us analyze what makes up the \$4.6 billion that is in the public works appro-



priation bill as it passed the House. First, 54 percent of this total, which the experts never mention, is for the expenses of the Atomic Energy Commission. These total \$2.5 billion, which is \$153.4 million less than requested in the budget. Except possibly for the \$150 million included in the Atomic Energy budget for research and development of civilian power reactors, I think we all agree that the Atomic Energy Commission does not fall in the public works category. As to the possibility of still further cuts in the AEC program, it is now faced with absorbing sizable additional requirements for weapons development and production under the anti-ballistic-missile system for which provision was not made in the budget or the House bill.

It should also be noted that of the increase of \$314.4 million in the bill over last year, \$293.7 million, or 93 percent, is for the Atomic Energy Commission. These funds are required primarily to finance continuing activities funded last fiscal year with carryover unobligated balances and program revenues and to meet increased requirements of the weapons program. The net increase of only \$20.7 million in the bill for all the other agencies includes an increase of \$60.7 million for the water pollution control program largely offset by reductions in the other activities. All the other major programs in the bill have been decreased below the funding level for fiscal year 1967, including a reduction of \$64.9 million, or about 5 percent, in the appropriations for construction of water resource projects.

Excluding AEC, the House public works bill total is \$2.1 billion. Included in this is \$293.8 million for the Federal water pollution control program, which is being carried in the bill for the first time this year. For water pollution control research and development grants and the operating program, the House made a 10-percent reduction in the budget estimate. For construction grants for waste treatment works, the bill allows only the budget request of \$203 million. This is less than half the authorization of \$450 million for which there has been widespread public support.

Another \$258.9 million in the bill is for the annual operation and maintenance requirements on completed projects of the Corps of Engineers, the Bureau of Reclamation, and the power agencies. The House bill has already reduced the budget request for these items by \$10.4 million. Any significant additional reductions are not possible without neglecting essential maintenance items, resulting in more costly rehabilitation in future years.

Also carried in the bill is \$40.5 million for the operation of the Canal Zone Government of the Panama Canal which is repaid to the U.S. Treasury out of revenues from the operation of the Panama Canal Company.

The bill also includes \$21.2 million to cover the cost of interment in our national cemeteries, grave markers, and development and maintenance of cemetery properties, including Arlington Cemetery. Certainly these programs are not "public works" that could be deleted or drastically curtailed.

The balance of \$1.5 billion remaining in the bill is primarily for the activities of the Corps of Engineers, Bureau of Reclamation, and the power agencies of the Federal Government. Excluding the investigations programs and necessary administrative expenses, \$1.4 billion remains for the going construction programs of these agencies for flood control, water supply, irrigation, and power facilities. It is apparently in this area that the experts seem to think that wholesale cuts could be made. First, the experts don't seem to understand that the individual projects are funded in the bill not for the total cost, but only to the extent necessary to meet contractors' earnings during the year. In other words, a project costing \$10 million is funded over a period of 4 to 5 years. Of the \$1.2 billion included in the 1968 House bill for construction by the Corps of Engineers and the Bureau of Reclamation, only \$13.6 million is to initiate construction on new starts. These include only 21 new starts under the corps and 2 for the Bureau of Reclamation. The balance of the appropriation—99 percent—is to finance the continuation of construction during the current year of projects previously approved by Congress. This involves over 300 projects.

For example, under the Corps of Engineers, about 75 percent of the appropriation of \$935 million will be applied to 57 major projects, now under construction, in amounts of \$5 million or more to meet contractors' earnings. About 70 percent of the funds are required to meet obligation commitments on continuing contracts and the remaining 30 percent is to provide for new contracts required to meet construction schedules on going projects. Many of these pending new contracts are essential to avoid project shutdowns and to prevent damage and loss to works already put in place under prior contracts. Even if we deferred indefinitely the balance of the pending contracts that might be postponed without project shutdown or damage to completed work, it is roughly estimated, pending completion of a detailed survey, that not more than \$60 million would be saved this year in expenditures under the Corps of Engineers nor more than about \$26 million under the Bureau of Reclamation program. Over one-third of these expenditure savings have already been reflected in the House bill reductions. Such further contract deferments would, of course, result in serious delay in the completion dates of these projects needed for flood control, water supply, power, pollution abatement, and so forth, and would in turn, result in higher completion costs due to the rising construction costs index.

I should also note that the allowance made in the bill for each construction appropriation item already reflects a general lump sum reduction, averaging 11 percent, to be applied to the individual amounts programed for the projects. In turn, the committee has taken full advantage of actual carryover funds available from last fiscal year and has reduced the new appropriation requests accordingly. In total, the committee, in its allowances for the construction programs of the Corps of Engineers and the

Bureau of Reclamation, has made lump sum reductions totaling \$171.9 million which will have to be met from carryover funds and through slippages, delays, and stretch out of contract awards, with the resulting reduction in expenditure requirements for fiscal year 1968.

The appropriations carried in the House bill for the construction programs of the Corps of Engineers and the Bureau of Reclamation are below both the appropriations for last fiscal year and the budget estimates for fiscal year 1968.

So, despite what the experts say, unless we are ready to cancel present contract commitments on projects now under construction, with the costly consequences now and in the years to come, it is just not possible to make any large-scale savings in appropriations or expenditures beyond those that have already been made in the bill.

I would like to insert in the RECORD for your review an analysis of the items in the bill and a statement as the basis on which the appropriation amounts for the construction items has been determined:

*Analysis of items in public works and Atomic Energy Commission appropriation bill, 1968*

Budget estimate (as amended) .....	\$4,864,613,000
House bill reduction .....	—244,891,000
House bill total .....	4,619,722,000
Deduct Atomic Energy Commission (54 percent) .....	—2,492,733,000
Balance, excluding AEC .....	2,126,989,000
Deduct (non-public-works construction items):	
1. Cemeterial expenses, Department of Army (development and maintenance of the national cemeteries) .....	—21,200,000
2. Operation and maintenance of Panama Canal Zone Government .....	—40,500,000
3. Annual operation and maintenance of completed water resource projects .....	—258,890,000
4. General investigations, Water Resources Council, and program administration .....	—109,344,000
Subtotal, non-public-works construction items .....	<sup>1</sup> —429,934,000
Deduct Federal Water Pollution Control Administration .....	—293,800,000
(Included under HEW bill in prior years. Includes \$203 million for construction grants for waste treatment works compared with authorization of \$450 million.)	
Balance in bill for planning and construction by Corps of Engineers, Bureau of Reclamation, Bonneville Power Administration, Southwestern Power Administration, and Tennessee Valley Authority .....	1,403,255,000
Deduct funds for new construction starts:	
Corps of Engineers (21 projects) .....	—6,113,000
Reclamation (two projects) .....	—7,500,000
Footnote at end of table.	



*Analysis of items in public works and Atomic Energy Commission appropriation bill, 1968—Continued*

Deduct funds for new construction starts—Con.  
Bonneville Power Administration (transmission facilities) ----- \$23,206,000  
Irrigation Loans (three) -- -1,185,000

Subtotal, appropriation for new starts. ----- -38,004,000

Balance for funding continuation of construction on projects initiated by Congress in prior years-- 1,365,251,000

This latter total to finance construction ongoing projects consists of:

Corps of Engineers:  
Construction, general-- 928,961,000  
Flood control, Mississippi River and tributaries ----- 83,400,000  
Bureau of Reclamation:  
Construction and rehabilitation ----- 165,200,000  
Upper Colorado River storage project----- 41,000,000  
Loan program----- 13,815,000  
Bonneville Power Administration ----- 87,294,000  
Southwestern Power Administration ----- 5,000,000  
Tennessee Valley Authority ----- 40,546,000

<sup>1</sup> House bill reduced budget estimates on these items by \$23,818,000.

Further major cuts below the House bill in the above construction items are not feasible for the following reasons:

1. All projects in the bill are funded only on an annual basis; only the amounts required to finance contractors' earnings until July 1, 1968, are included;

2. Full credit has been taken for the availability of carryover balances in determining the new appropriation required;

3. Full credit has been taken for possible savings and delays on contracts during the year by making general, lump sum reductions, totalling \$180.7 million and averaging 11 percent in the items in the bill, to be applied against the individual amounts programmed for each project as listed in the report tables. Any further reduction would result, on an average, in projects being financed less than 89 percent of the amounts allocated to individual projects in the bill.

In summary, the bill now funds the above construction items, including the new starts, on the following basis:

Total amount programmed for fiscal year 1968 for the individual projects as shown in the committee report tables ----- \$1,583,957,000

Lump sum reductions made:  
For carryover balances----- -39,035,000  
For delays, slippages, and stretchouts ----- -141,667,000

Subtotal, reductions (-11 percent)----- -180,702,000

Actual appropriations allowed ----- 1,403,255,000

4. The 1968 appropriations allowed for these construction items are below the 1967 appropriation level and below the 1968 budget estimates.

5. The 1968 appropriation of \$929 million for construction by the Corps of Engineers is typical of the other items:

(a) It is required to provide annual financing of contracts on going projects;

(b) About 70 percent of the funds are committed for contractors' earnings under existing contracts;

(c) The remaining 30 percent is for new contracts planned in 1968 to provide for orderly continuation of work on projects under construction;

(1) A portion of these contracts has already been let during the period July 1, 1967, to September 30, 1967, the heavy construction season;

(2) A portion of these pending contracts cannot be deferred indefinitely if loss or damage to work in place is to be avoided;

(3) The remaining pending contracts involve some segments of projects under construction which might be deferred without shutting down the project or incurring immediate loss to work in place, but with the resultant delay in project completion dates and the incurring of higher future completion costs;

It is especially in this latter category of contracts that the House bill has already reflected sizable reductions for delays, slippages, and stretchouts as outlined above.

Pending completion of a detailed analysis of the contracts in this category, it is roughly estimated that expenditure savings during the remainder of the fiscal year would not exceed \$60 million, of which about half has already been reflected in the House bill reductions.

(4) The very restrictive policy on new starts reflected in the 1968 bill will result in a sharp reduction of \$619.6 million in the level of the construction pipeline of the Corps of Engineers.

This year, if funds are allowed to meet contractors' earnings, completion is scheduled on 51 projects which have been financed annually over several years at a total cost of \$735.5 million; the total cost of the 21 new starts in the bill, to be financed over the next 4 or 5 years, is only \$115.9 million, the equivalent of only 6 weeks' construction at the current rate of expenditure.

The very limited number and total cost of the new starts in the 1968 bill (with a backlog of over 400 authorized projects) is in sharp contrast to the appropriation bills over the past 5 years which have averaged about 60 new starts annually with an average total cost of about \$1 billion.

Mr. MACGREGOR. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the pending amendment.

Mr. Chairman, in 1966 I moved, during consideration of the appropriations bill for the SST program, to delete the 1967 fiscal year appropriation of \$280 million.

On July 18 of this year I moved to delete the fiscal 1968 appropriation for the SST of \$142,375,000. A week ago Thursday, in response to talk in this Chamber about rescission bills, I offered a bill to rescind the amount of almost \$143 million appropriated by Senate and House.

I am delighted that I have been supported in that effort by the gentleman from Illinois [Mr. RUMSFELD], the gentleman from New York [Mr. OTTINGER], and apparently by others in this Chamber.

I believe we have heard many times the arguments for and against the use of general revenue funds of the Treasury to subsidize the development of this commercial product. Let me summarize the arguments for adoption of the pending amendment:

First. There is in the pipeline \$124.5 million for the civil supersonic transport aircraft from previous years' appropriations. This would still be available for expenditure. We would not cut off that

flow for the support of this year's SST development.

Second. If we were to pass this amendment we would, however, give impetus to a consideration of the bills introduced by the gentleman from Ohio [Mr. BOW] and myself, to provide private financing as a substitute for public financing of the SST.

Third. Never before, not last year, not on July 18, nor 2 weeks ago have we been faced with such a critical financial situation as we are faced with today—a \$29 billion deficit—it may be somewhat less, it may be somewhat more. If we are going to find any areas to cut, if we are going to say we will not pass the buck to the President, let us show that the buck stops here in the House on this saving of \$143 million.

Fourth. If we were to establish a list of priorities of public spending, surely everyone in this Chamber would put the SST financing down at the bottom of the priority list.

Fifth. There needs to be consideration—there needs to be most careful consideration of the sonic boom problem. We have studies pending in Oklahoma City, in Milwaukee, Minneapolis, and elsewhere, but we have not got the final reports on those studies. Let us get the facts so we can evaluate the economic feasibility of the SST and the likelihood of recovering the taxpayers' money.

Now, Mr. Chairman, let us take a look at the arguments against the pending amendment.

First. We are not risking any money because we are going to recoup all of the funds. Yes you will, but only if the SST is an economic success. And only if after being an economic success the aircraft manufacturers sell more than 500 of the aircraft—a highly unlikely prospect in view of the 747, which will be flying high at that time.

Second. We must build the SST on a crash basis, and funnel these public funds into it, because America must maintain her supremacy in world commercial aviation. No one is going to buy the Russian TU-144 except a few countries behind the Iron Curtain.

The British Government, because of its financial plight, may soon be pulling out of the British-French Concorde aircraft project. But even if they continue, because of the many performance limitations of the Concorde, it will never be in competition with the American SST.

Third. That the American balance-of-payments problem will be aided by the public financing of this SST. Let me give you some interesting facts:

The U.S. Treasury Department, the U.S. Department of Commerce, the Board of Governors of the Federal Reserve System, and the Bureau of the Budget are the agencies of the U.S. Government most knowledgeable and most concerned about the balance-of-payments problem.

They are the agencies possessing the greatest expertise on this subject. But not one of these four agencies has published a single word in support of the contention frequently made that building the supersonic transport is necessary to help solve the American balance-of-payments problem.



I urge you in the name of common-sense and a decent regard for taxpayer opinion to adopt this amendment.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this Congress has been up and down the hill on the whole supersonic transport matter. The effect of the amendment offered by the gentleman from New York would be to absolutely and immediately kill the program. That would not have been so with the amendment that had been suggested by the gentleman from Minnesota that would have rescinded only fiscal year 1968 funds.

I must decline to yield at this time to my colleague, the gentleman from New York [Mr. OTTINGER], because I think we ought to answer some of the arguments that he has made here.

This amendment would absolutely kill the program.

The gentleman from New York said in his arguments a moment ago that the SST program is going to cost the Federal Government and the taxpayers of this Nation \$5 billion. That is not so.

We are financing only the development of the civil supersonic transport aircraft through the prototype phase, with the completion of two prototypes. The Federal Government is committed to spend \$1.2 billion and no more. And if the program is successful, all of the \$1.2 billion will be paid back. If more than 300 aircraft are sold, the Government will earn interest.

We have already appropriated, let me remind the House, through fiscal year 1967, \$511 million. In the fiscal 1968 bill we carry \$142.5 million for the SST program.

The issue is not whether or not to start the development of the SST. The program is underway. The program was initiated in 1959 and the first appropriations were made by the Congress in 1961.

The prototype aircraft are being built—and prototype Concorde aircraft are being built now by the British and the French and the TU-144 is being built by the Russians. The British and French Governments are putting \$1.4 billion into their plane. This is \$200 million more than we are putting into ours.

We have crossed this bridge on whether or not to develop a supersonic transport plane. It has been the judgment of three administrations to proceed.

President Eisenhower, President Kennedy, and President Johnson decided and recommended that we ought to go ahead with it.

What does this program mean to the economy of the United States? I have seen the gentleman from New York offer amendments to legislation on this floor that would have cost the Federal Government millions and millions of dollars. But he wants to kill this program which can help build up the economy of the country so that we might be able to afford such programs.

What does this program mean to the United States? Why do you have to stand up here at this time and defend it? Maybe it is not the best time, or the best year, to defend this program, but the point of the matter is that this is a program that is essential to the economic

health of a large segment of the United States. It means 50,000 direct jobs. The employment and impact from those 50,000 direct jobs will probably be multiplied by four or five times throughout the United States.

We can help pay for some of the programs that the gentleman from New York was interested in—rat control, model cities, and rent supplements—with taxes that would be lost if the aircraft manufacturing industry of this country is not permitted to keep up with modern technology.

This is a program that improves the economic health of our country, and will enable this Nation to keep moving ahead.

I recall just about a week or 10 days ago when the distinguished gentleman from New York [Mr. RESNICK] rose on this floor and pointed to himself, and rightfully so, as being a very successful businessman. He indicated to this House that the reason for his success is that he was willing to pour back into his company money required to make his company successful, and he was delighted to do that. He pointed out that that is the reason we ought to be willing to invest in our own country and our own economy, and I think we should. I think that is the slide rule for the success of our private enterprise system in this Nation. Private business teaches us that investment is essential to progress.

If you are going to damage private enterprise by voting against a vital segment of our private economy, we are never going to be able to pay for any of the great programs in which most of us here are deeply and sincerely interested.

So, Mr. Chairman, let me say again that the amendment offered by the gentleman from New York would kill the program—absolutely and finally.

There is private financing in the program. Boeing and General Electric are committed to put in their own money. Boeing alone will put in \$168 million of their cold, hard cash and we ought to tell them that we are going to support this program. They will put another \$34 million of their cold, hard cash in facilities for the program. General Electric will put in \$66 million of their cold, hard cash and \$20 million in facilities. The airlines have put in \$52 million in risk capital and are putting down \$750,000 for each plane ordered. They are doing their part. We ought to do ours.

The gentleman from Minnesota talks of private financing but he uses the term quite loosely. Under one of the so-called private financing plans offered, and which I understand the gentleman supports, the Government would be called on to guarantee 100 percent of the value of a total of \$2.5 billion in bonds. This is not private financing. This approach would give the Government all of the risk and none of the authority to protect its investment and would double the Government's liability over that now planned.

Under present plans, the production phase of the program will be completely financed with private capital.

To bill the SST now would be to waste at least \$500 million and rob a vital segment of American industry of the opportunity of meeting world competition.

This amendment ought to be defeated overwhelmingly.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. At the time the motion was adopted, the following Members were observed standing on their feet: Mr. PELLY of Washington, Mr. MEEDS of Washington, Mr. ADAMS of Washington, Mr. OTTINGER of New York, Mr. TAFT of Ohio, Mr. MACGREGOR of Minnesota, Mr. STAGGERS of West Virginia, Mr. DINGELL of Michigan, Mr. BOLAND of Massachusetts.

Mr. PELLY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PELLY. The gentleman from Minnesota has already spoken on this question. May he speak again?

The CHAIRMAN. He may speak in opposition to the pro forma motion.

At this time the Chair recognizes the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment. I do not think it is good business for this Nation to start on a program such as the one we are discussing and then stop after we have spent many millions of dollars. The program makes us a leader in the world in the aviation field. We would now kill that program if we vote for this amendment. I urge that the amendment be defeated.

The CHAIRMAN. The gentleman from Washington [Mr. PELLY] is recognized.

Mr. PELLY. Mr. Chairman, I do not think there is a Member of this House who has not taken pride in the fact that when it comes to civilian transport planes, American planes excel those of any other nation in the world. The buyers from other countries beat a path to buy our transport planes. There is no equal to them. There is only one reason for that achievement, and that is research. That is exactly what has produced the transport planes. If we are going to keep our position, we must put some money into the development of the SST. I urge Members not to veto, at this late date, the decision that was previously made by this House. I urge defeat of amendments to either curb or kill the SST.

The CHAIRMAN. The gentleman from Washington [Mr. ADAMS] is recognized.

Mr. ADAMS. Mr. Chairman, I rise in opposition to the amendment, and I yield the balance of my time to the gentleman from Massachusetts [Mr. BOLAND] at the end of the debate, and I will remain on my feet during the interim.

The CHAIRMAN. The gentleman from New York [Mr. OTTINGER] is recognized.

Mr. OTTINGER. Mr. Chairman, what the gentleman from Massachusetts said about me was 100 percent inaccurate. I have voted against more than \$11 billion of spending proposals in this House this year.

I would say further to the gentleman, to show my sincerity in this matter, that



I intend to support the Whitten amendment limiting expenditures to the 1967 level, with certain exceptions.

As for the argument that the SST will create jobs, I am all for the creation of jobs and the protection of jobs. But to continue on an uneconomic project which private industry itself is unwilling to finance just to protect jobs seems to me to be 100 percent wrong. I think we ought to get out of it. We have made a mistake and we ought to recognize it.

Several weeks ago, I voted against the Bow amendment and with the committee to give the committee a 10-day chance to come up with reductions it was promising. We have now seen its proposal and it is one with which I cannot agree.

The committee proposal limits the Office of Economic Opportunity to \$1.4 billion while the problems of poverty mount alarmingly both in our urban slums and agricultural areas.

On the other hand, the committee proposal does not even touch the \$4.6 billion public works pork-barrel or the multibillion-dollar agriculture and other special interest subsidies. It also fails to touch the SST.

I, therefore, must oppose the committee proposal and support the Whitten substitute, to accomplish exactly the economies which the gentleman from Massachusetts falsely accuses me of opposing.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, while this amendment, I am sure, was offered in good faith, and I recognize the interest and opposition from the very beginning of the gentleman from Minnesota [Mr. MACGREGOR] and others to it, this is not the proper place to consider this amendment. I think the Members of this House should know, if they reflect on it in their consciences, that it is no more proper to consider this amendment here today, when the House has already debated and acted upon it, than it would have been to consider and vote favorably on the amendment offered by the gentleman from Illinois [Mr. YATES] with regard to the pollution of Lake Michigan. We have had full debate on the project. The House has worked its will on it. In any event, there will be a 5-percent cut in this program under the resolution, if adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, this is a very good example of acting in haste to save a few dollars and by that haste losing a great deal more money. I do not happen to approve of the way the SST contract was given. I expect to try to see it reviewed to assure that no windfall resulted. I think there is a strong possibility of an excessive amount of windfall inherent in that proposal to the developers of the SST. But the fact is if we happen to rescind the contract in such a high-handed fashion as this, the Federal Government will wind up with a loss of investment, loss in sales abroad, and a big deficit of payments from the project. In addition—and I think this is

the worst thing of all—we will wind up with a situation where the Government will be liable in damages to the contractors for contract rescission.

The CHAIRMAN. The gentleman from Washington [Mr. MEEDS] is recognized.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment and yield the balance of my time to the gentleman from Massachusetts [Mr. BOLAND].

(Mr. MEEDS asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Minnesota [Mr. MACGREGOR] is recognized.

SUBSTITUTE AMENDMENT OFFERED BY MR. MACGREGOR

Mr. MACGREGOR. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from New York [Mr. OTTINGER].

The Clerk read as follows:

Amendment offered by Mr. MACGREGOR as a substitute for the amendment offered by Mr. OTTINGER: On page 3 after line 18 insert:

"SEC. 4. The unobligated balances remaining on the date of the enactment of this Act of the funds appropriated to the Department of Transportation for the Civil Supersonic Aircraft Development Program for fiscal year 1968 are hereby rescinded and shall be recovered into the Treasury."

And remember subsequent sections accordingly.

Mr. MACGREGOR. Mr. Chairman, this is my amendment to which I referred earlier during general debate and during the colloquy with the gentleman from New York [Mr. OTTINGER].

This substitute amendment, I am now advised by members of the Appropriations Committee staff, will not have the same effect as the Ottinger amendment. The Ottinger amendment would stop the flow of SST money now in the pipeline. All my amendment would do, if adopted as a substitute, would be to save this year's appropriation. It would not cripple the ongoing SST program. It would not touch the \$124 million waiting to be spent. It might slow down or stretch out the prototype development. Surely we can strike this modest blow for economy.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from Minnesota and, of course, I am violently opposed to the amendment offered by the gentleman from New York.

As I said, we have been up and down this road, and it has been the judgment of three administrations to start and to continue this program. We are now deeply in the program. We have appropriated \$511 million in past years, and in this fiscal year have provided an additional \$142 million.

All of the money the Federal Government puts in will be paid back if 300 planes are sold. The economics of the program have been studied, as I said before, by a very distinguished presidential advisory board. They are advised by competent authority that this is an economically feasible project and that the Federal Government will get back every dime it will have invested. They estimate that more than 300 planes will be sold.

After 300 planes have been sold, on the planes sold between 300 and 500,

which we expect will be sold, there will be a return to the Government of 6 percent on its investment.

So, Mr. Chairman, this is a good program. I do not believe we can afford to let the British and the French put their plane on the market with uncertainty as to whether or not we will proceed, where it is evident there might very well be a stoppage of the American SST. Someone said the British will pull out of the Concorde program. With this kind of debate we are having on this floor, I am sure they will continue, because they will have the field in the free world to themselves.

Mr. Chairman, I ask for defeat of both amendments.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Minnesota [Mr. MACGREGOR] for the amendment offered by the gentleman from New York [Mr. OTTINGER].

Mr. MACGREGOR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MACGREGOR and Mr. MAHON.

The Committee divided, and the tellers reported that there were—ayes 94, noes 102.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. OTTINGER].

The amendment was rejected.

Mr. SISK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have just supported the continuation of the SST program, but it seems to me we have just observed a demonstration of what foolishness we have participated in here recently. It all depends on whose ox is being gored.

If we want to take this item by item and issue by issue we had just as well get started on some of these programs, for we will be voting here on Christmas Eve.

I think maybe that is the way to do it. I have asked for this time primarily to direct some questions to the gentleman from Ohio [Mr. Bow]. I believe I observed him a moment ago on the floor. I have some questions with reference to the Bow amendment, which we have heard a lot about.

We have just gone through a demonstration here, as I say, regarding a specific project. I happen to be in support of this project and voted for its authorization. I supported my good friends from Washington because I well understand the concern of the people who represent Boeing Aircraft and happen to believe that this program is good for America.

However, a question was raised here regarding the Bow amendment and its effect on this program. They said that it would take its proportionate cut. I am not at all sure that it will under the Bow amendment. That is why I would like to ask the gentleman from Ohio a few questions about just what the Bow amendment means and what it will do. If I do not understand the Bow amendment, I hope the gentleman will correct me.



If the Congress adopts it, then we give the President the power to cut his budget or the total expenditures for fiscal year 1968 anywhere he desires at least up to or, in other words, a maximum expenditure of \$131.5 billion. So he could cut out the entire expenditure for the SST program.

Mr. BOW. Which he can do now.

Mr. SISK. Is that correct or is it not?

Mr. BOW. That is right. He can do it now without the Bow amendment.

Mr. SISK. I well recognize that the President has certain rights to withhold funds, but I do want to make clear what we are doing and what people who support this are doing. I have great respect for the gentleman from Ohio. I am not questioning his sincerity, but I question him as to whether this is the way we want to handle the issue. We just had a demonstration here in which the Congress said we do not want to cut out the SST program. Does the gentleman want us to go ahead and attempt to try to adjust the budget in line with what we believe to be right rather than simply to say to the President, "You must come up with \$5 billion of reduction in your budget" or what I understand from possible suggestions could be as much as \$10 billion or \$15 billion cut in expenditures and just leave it completely up to him?

Mr. BOW. Will the gentleman yield?

Mr. SISK. Yes. I will be glad to yield.

Mr. BOW. I think the gentleman pointed out the fact that the President could make these cuts in the areas he desires, which, as I have said many times, he already has the right to do. A great deal of concern has been had about the cutting down in different parts of the Government. Again I repeat that he would have \$5.8 billion more than the expenditures in 1967 were. So this is not anything that will be a great catastrophe, because he will still have over \$5 billion more than he had last year. The gentleman is right, though, but the point that does not seem to be getting across at all is that the President can do it now. He can cut the SST tomorrow or freeze the funds for it tomorrow. All we are doing is simply saying to him, "You must work within a certain expenditure limitation."

Mr. SISK. That is right. However, that response leads me to my next question, if I may do so and if I may direct it to the distinguished gentleman from Ohio, I would ask with reference to the limitation and with reference to the exemptions which are contained under his proposal.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BOW. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from California.

Mr. SISK. Under the exemptions contained in the proposals which are now pending before us and the exemption which I understand the gentleman from Ohio has proposed, that we actually get

down to a total expenditure budget of somewhere—and I have heard all kinds of figures ranging anywhere from \$112 billion to \$125 billion—and that is all he has to operate on? Is this true or is it not true? That is why I am asking the gentleman from Ohio as to just what his proposed amendment means.

Mr. BOW. That is correct. In other words, the President operated on a budget of about \$125.7 billion during the 1967 fiscal year. He would still have the funds which he had for the 1967 fiscal year programs. Therefore, he has had plenty of funds with which to operate the Government in the last fiscal year. So, he is going to have the money with which to do so. He sent an expenditure budget up here to us originally in the amount of about \$135 billion. This is where the credibility gap comes in and is why we have got to place a ceiling upon it. In other words, the President is spending at the rate of about \$143 billion. So, unless Congress places some sort of ceiling upon expenditures, we do not know what they are going to do with the budget figures based upon the manner in which they have been juggling them.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the distinguished gentleman from Arizona.

(Mr. RHODES of Arizona asked and was given permission to revise and extend his remarks.)

Mr. RHODES of Arizona. Mr. Chairman, I wish to remind the distinguished gentleman from Ohio of a specific provision of the gentleman's amendment with reference to expenditures in Vietnam over the amount of \$22 billion. I do not believe the effect of this provision was made clear in the colloquy which was had between the gentleman from Ohio [Mr. Bow] and the gentleman from California [Mr. Sisk].

Mr. BOW. The gentleman understands that under my amendment, of course, that is correct.

Mr. SISK. Mr. Chairman, if the gentleman from Ohio will yield further, as I stated previously, I am only trying to find out just how much money actually the President is going to have left after we are through whittling? Yet, they say we cannot cut out the SST, a program which has been favored, as we demonstrated here earlier, but which carries a pretty good sum of money, or this, that or the other program.

Are we not cutting the amount of money which is available to the President for expenditure when we are finished whittling down—are we not cutting it down to a very small amount? Does it not resolve itself into a question as to whose ox is going to be gored?

Mr. BOW. I go back to the budget figure of \$125.7 billion. He spent the money then, and that is a lot of money. He had a heyday at that time.

Mr. SISK. That included a portion of the Defense budget and the Vietnam war did it not?

Mr. BOW. But, may I say to the gentleman from California that insofar as the Vietnam war is concerned the amendment I am offering excepts those expenditures in excess of \$22 billion that the President may determine are necessary

in behalf of our military effort in Southeast Asia. Savings can be made in the Department of Defense as well as in some other areas not having to do with our military effort in Southeast Asia.

Mr. Chairman, as the gentleman from California [Mr. HOLIFIELD] raised these questions last week, to try to put the full amount in the Defense budget, one must remember that when one talks about defense one is talking about the Atomic Energy Commission and our program in outer space.

So, there are the items involved. Therefore, it is not that limited amount.

Mr. SISK. Mr. Chairman, I express my appreciation to the gentleman from Ohio in making himself available to answer these questions. But my questions have a broader bearing upon the operations of this Government, including the war in Vietnam.

For instance, when we get down to a few of the domestic programs here, as I said a moment ago, on the SST program, I am in favor of continuing that program. I am also, for example, in favor of continuing some of the antipoverty programs as well as some of the other domestic programs.

However, I am wondering whether or not when we say to the President, "You have got to reduce so many billions of dollars," we are not in essence saying, "You go ahead and cut the SST program as well as other programs" and, therefore, we ultimately leave it up to him and are asking for it, so to speak?

Mr. BOW. Does not the gentleman from California understand that the President did have funds for the poverty program in fiscal year 1967 and that he did have a part of the SST program funds available in 1967? Many of the Great Society programs were carried on under the figure of \$125.7 billion. Now, we are proposing to give him \$5.8 billion in addition to that. We do not want him to go to \$143 billion, which would be a runaway program unless we get into an additional situation in Vietnam.

Mr. DOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, some conversation has been had here today about the war in Vietnam, but I believe that someone ought to make the main point about Vietnam. Had the United States not entered that conflict, this present financial impasse would not confront us. It is all the sadder when we perceive that the involvement in Vietnam may be a mistake, may be a wrong.

Is it not tragic for us here to engage in this immense financial problem posed by House Joint Resolution 888, when we may have created it needlessly.

Mr. Chairman, I recommend to this House that we address ourselves to the reduction of the war, and that will assure reduction of the Government costs.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

SEC. 4. Appropriations and other funds available or becoming available to the executive branch for obligation during the fiscal year 1968 for civilian personnel compensation and benefits, and for other purposes (other than those relating to retired personnel,



those directly relating to the current military effort in Southeast Asia, those involving the safety of human life or the protection of property, or for statutory positions the exact number of which is fixed by law), shall be apportioned for use over the fiscal year in such manner as to permit absorption, within the aggregate amounts available, of the additional costs (estimated at \$625,000,000) during the fiscal year 1968 of H.R. 7977, the Postal Revenue and Federal Salary Act of 1967, or similar legislation if such is enacted into law.

SEC. 5. Funds available or becoming available to the several executive departments, agencies, corporations, and other organizational units for obligation for research and development for the fiscal year 1968, as defined in Special Analysis I accompanying the budget for fiscal year 1968 (other than those directly relating to the current military effort in Southeast Asia or directly relating to the development, test, and evaluation of specific weapons systems), shall not be available for such purposes beyond 90 per centum of the amounts estimated therefor in the budget for 1968 (H. Doc. 15) as amended. Amounts withheld from obligation pursuant to the provisions of this section are hereby rescinded and shall be covered into the Treasury, and amounts so withheld from obligation under corporate funds are hereby rescinded and shall revert to the source from which derived.

SEC. 6. Appropriations made by Public Law 90-102, as amended, shall be available for activities budgeted under "Office of Economic Opportunity, Economic Opportunity Program" at a rate not in excess of that which would be provided for by an appropriation of \$1,400,000,000 for the fiscal year ending June 30, 1968.

#### AMENDMENT OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PASSMAN; On page 5, after line 6, insert the following new section:

SEC. —. Obligations during the period covered by section 1 hereof for activities to be authorized by the Foreign Assistance Act of 1967 (S. 1872 or similar legislation) shall not exceed an annual rate of \$2,000,000,000 during the fiscal year ending June 30, 1968.

Mr. PASSMAN. Mr. Chairman, may I say at the outset that I support the committee resolution. The amendment I am proposing merely places a limitation on the amount of money that can be obligated during the period of the continuing resolution, 30 days. It has no effect whatsoever on the amount of money that the AID agency may expect when their annual appropriation bill for fiscal 1968 is enacted.

There is a pipeline of approximately \$6.7 billion for the mutual security program alone. That is just one spigot of the 16 spigots in the foreign aid bill.

I hope that the Members will approve this amendment and ask unanimous consent to revise and extend my remarks.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not authorized to speak for the committee, but I have no fault to find with this amendment and ask for a vote on it.

Mr. BOW. Mr. Chairman, we have no objection to the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. PASSMAN].

The amendment was agreed to.

#### AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA

Mr. BROYHILL of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia: On page 5, line 5, after "of" strike out "\$1,400,000,000" and insert "\$1,200,000,000".

Mr. MAHON. Mr. Chairman, I make the point of order against the amendment that we have already passed that section of the bill. I raise the point of order that the amendment is not in order since we have passed this section.

The CHAIRMAN. Does the gentleman from Virginia desire to be heard on the point of order?

Mr. BROYHILL of Virginia. Yes, Mr. Chairman; the only thing this amendment does is to change the figure on line 5, page 5 of the bill from \$1,400,000,000 to \$1,200,000,000. It is just changing the amount authorized to be appropriated by this legislation.

The CHAIRMAN. Does the gentleman from Texas [Mr. MAHON] desire to be heard?

Mr. MAHON. Yes, Mr. Chairman.

Mr. Chairman, this portion of the bill had been read and approved and an amendment was offered by the gentleman from Louisiana, which amendment was a separate section following it. So this is decidedly untimely and out of order and I make the point of order that the amendment is not in order.

The CHAIRMAN (Mr. VANIK). It is the opinion of the Chair that since an amendment adding a new section to the bill was adopted following the section that the gentleman from Virginia seeks to amend now, the gentleman's amendment comes too late and the point of order is well taken.

The Chair sustains the point of order.

#### AMENDMENT OFFERED BY MR. BOW

Mr. BOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bow: On page 5 after line 6, add a new section as follows: "SEC. —. Net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968, shall not exceed \$131,500,000,000, except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia."

Mr. BOW. Mr. Chairman, this is the amendment which puts a spending limitation on expenditures for the fiscal year 1968.

I see no reason to debate this further. We have debated it here for 4 or 5 days at different times. I think it is generally understood, but I want to point out one change that has been made in the language, and that is in accordance with the language in the resolution, and it excepts those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia.

You will recall that the previous amendment that I had read "military effort of the country."

This more specifically defines the \$22 billion which it is estimated that the war will cost in South Vietnam and makes

that exception that the President may determine more is necessary in Southeast Asia.

That is about the only change, my colleagues.

I simply want to repeat once more that the Government had plenty of funds in 1967 for a Roman holiday, and we are giving them \$5,800,000,000 more this year to make the holiday even happier. There is no reason at all why they cannot easily continue their operations. The Congress has not authorized any new projects that are going to take any part of this \$5,800,000,000 to any extent.

I would suggest, Mr. Chairman, so far as I am concerned, I am ready to have a vote, and I hope the House will support this amendment.

The CHAIRMAN. For what purpose does the gentleman from Ohio [Mr. MINSHALL], a member of the committee, rise?

Mr. MINSHALL. Mr. Chairman, I rise in support of the amendment offered by my brilliant colleague and good friend, the gentleman from Ohio [Mr. Bow].

My office, and I am sure the offices of nearly ever Member of this House, has been flooded this year with letters of protest from the taxpayers we represent who are increasingly incensed at the lavish spending we have witnessed under this administration. They are quite rightly concerned about the fiscal integrity of this country.

While I feel that the Appropriations Committee has done a commendable job in the joint resolution before us today, which limits expenses and places a freeze on new nonmilitary contracts and hiring, it is not, in my opinion, firm enough. Freezes by this administration have a tendency to thaw.

The resolution might be compared to locking the door of the Treasury, but hanging the key on the door. The Bow amendment locks the door and puts the key in the pocket of the Congress.

The amendment before us would place an absolute ceiling on all net aggregate administrative budget expenditures through June 30, 1968. Such expenditures could not exceed \$131.5 billion, except for expenditures which may be in excess of \$22 billion which the President might determine essential in behalf of the military effort in Southeast Asia.

In short, the Bow amendment would reduce the President's estimate of fiscal 1968 expenditures by \$5 billion.

Both the Federal Establishment and the taxpayers can stand this reduction. You and I all know the sentiments of our constituents on the spend-and-tax issue. That was effectively illustrated in this House on September 27 when we voted 202 to 182 for the Bow recommittal motion on the continuing appropriations resolution.

For 13 years I have fought for economy in Government on the floor of this House. During the past 8 it has too often been a losing battle. But the tide is turning, a national revolt against big government and wanton abuse of their hard-earned tax money has set in all across this Nation.

I urge that the House support the Bow amendment.



Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Mississippi is recognized.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, the Bow amendment, in my opinion—and it is quite apparent on its face—would require and invite the President to use his power to reduce expenditures by \$5 billion from that requested by the Bureau of the Budget, wherever he might wish to, except that there is a provision for South Vietnam. I certainly favor such reduction. The 1967 level of expenditure certainly should be ample under all present circumstances, except for the war and certain other obligations which my amendment provides.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. BOW. Would not the gentleman agree that a reduction in expenditures is not a reduction in appropriations?

Mr. WHITTEN. It certainly is not, but, as the gentleman knows, since many estimates have been made in the process of getting action in both the House and the Senate, and in connection with which they tied the two figures together, when you bring it back to a spending limitation, you are in effect permitting the President to apply the cuts where he sees fit.

Mr. BOW. I agree with the gentleman, but I believe it is a misnomer to say that a ceiling on appropriations is a ceiling on expenditures.

Mr. WHITTEN. I hope the gentleman believes that his amendment would be a ceiling on expenditures. But if he does not feel that it would be, I shall not argue with him. The point is that while the power but not the right has existed in the executive department to do freeze funds, the proposed action would be an invitation by the Congress for the President to turn "power" into "right." The average Member of Congress—and I am sure it is true of the American people as a whole—is for a reduction in expenditures.

In case the Bow amendment is adopted, it will cut expenditures back to the \$131.5 billion level. I expect to offer a substitute for the entire bill, striking out all after the enacting clause, which would call, in my opinion, for larger reductions, though I would make the exceptions as I mentioned earlier, such as military expenditures in Southeast Asia, military personnel, payment of interest on the national debt, social security payments, veterans' retirement benefits, and all the rest of like kind. So in the event the Bow amendment is adopted fixing a ceiling on expenditures, I expect to offer as a substitute my own amendment, which would, I believe cut expenditures more, but would tie it the limitations to the spending in 1967, when the Congress set the level. Where the amendment of the gentleman from Ohio has to do with the whole Federal Government, mine would tie the restriction down by departments and agencies.

In order to make my amendment applicable, it might be appropriate to take the Bow amendment, setting a limit, and then take mine, which will not tie the limitation down to the Budget Bureau figure but will tie it down to the 1967 spending, where Congress fixed the amount, and again I would make it applicable alike to each department and agency instead of permitting the President to apply the reduction where he wished, saving what he might prefer.

What I intend to offer would scale executive departments back to the 1967 level, and with few exceptions that is all they have been spending. They have been living only in the hopes of these increased appropriations.

The Bow amendment by itself, I would think, is wholly unsound, because it gives the President too much power. While I don't think he would, he could save his "butter" and cut our guns. I would tie the cuts to the 1967 spending. I think the provision I shall offer would carry out what we want to do. If the Bow amendment is offered, I will offer my substitute, setting up where the reduced expenditures, below this years' budget, must be applied.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I am doing my best to understand what the Bow amendment would do if it is passed. I understand it is an amendment to the resolution which would mean we would have two things, the committee resolution and the Bow amendment. Is there anyone here who can explain what the effect would be if these passed the House today together?

Mr. WHITTEN. I will say I would hope we would accept my substitute for it. My substitute would be to strike out all after the enacting clause and would tie cuts in budgeted spending for 1968 to the 1969 level, which is fixed by the Congress, with the exceptions which I have earlier spelled out.

Mr. MAHON. Mr. Chairman, I rise in opposition to the Bow amendment.

Mr. Chairman, I do not want to belabor this issue. We have debated it and debated it and debated it for weeks. I feel that the House of Representatives has done a good job in its efforts to reduce spending by its action on appropriation bills generally. We will certainly reduce the President's appropriation budget by as much as \$6 billion. This will not be reflected in spending cuts to that extent in fiscal year 1968, but it will save \$6 billion in total in the next 2 or 3 years. If we adopt the bill as submitted here today, the appropriation total reduction, we estimate, would go to \$7.5 billion. The reduction in spending—in the first year, fiscal 1968—would probably be about \$3 billion or \$3.5 billion, the remainder would come in later years. It seems to me that this is the procedure to be followed if we wish to make our imprint on fiscal matters and preserve for the House of Representatives that cherished right of the power of the purse.

The gentleman from Ohio does not propose to "reduce" spending. He pro-

poses to deny the expenditure of \$5 billion—during the current fiscal year, that is. He does not rescind this money, because the \$5 billion would remain available during the fiscal year 1969—if it were no-year money. So to some extent this would not be very much a money-saving amendment. It would reduce spending this year, but it would not save great amounts of money ultimately. The money, probably most of it, would still be available for expenditure in the hands of the executive branch.

The gentleman from Mississippi, who has worked very diligently in connection with these matters, has discussed with the Members an amendment which he may offer if the Bow amendment is adopted. He would substitute for the Bow amendment an amendment which would also reserve, for the fiscal year, about \$5 to \$7 billion, or more. No one knows just how much reduction in spending these amendments would bring about. But neither the Bow nor the Whitten amendments would reduce any of the obligational authority in the hands of the President.

I feel that we should not reduce ourselves to the puny position of a debating society and let the executive branch fully determine what shall be the expenditure pattern of this Government. We can remain in the driver's seat by controlling the amount of money we appropriate and make available to the executive branch for expenditure.

I believe we in Congress ought to do it by appropriations.

It is all right to say, "Mr. President, delay the spending of \$5 billion or \$7 billion." But we have seen here today the difficulty of even a modest reduction in appropriations. All this resolution provided was a relatively modest reduction in appropriations of about \$1.5 billion, and we ran into all manner of trouble. It became apparent to one and all that the cut in appropriations of some \$1.5 billion was very painful and difficult.

But this proposal would be turning over to the President the authority, and mandating him, without instructions from us, except that the gentleman from Mississippi [Mr. WHITTEN] would say, "You have got to confine your slowdowns, your reserves, to each individual agency and department."

This is just too much power to give to any President. It is too much of an abdication on the part of Members of Congress.

This is no time to slow down the Government and to bring about a fiscal crisis. This proposal means we may well be hanging here in conference between the House and Senate for days and days with this issue.

We are in a war. This continuing resolution ought to pass. It can be worked out if we do not have in it the Bow amendment or the Whitten substitute.

I urge the House to vote down the Bow amendment and to approve the resolution which was brought here earlier in the afternoon by the Committee on Appropriations.

Mr. Chairman, I move that all debate on the bill do now close.



Mr. BOW. Mr. Chairman, is the gentleman talking about the joint resolution?

Mr. MAHON. Mr. Chairman, I withdraw that motion, and I move that all debate on the Bow amendment do now close.

Mr. BOW. Mr. Chairman, I join the gentleman in that.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Bow and Mr. MAHON.

The Committee divided; and the tellers reported that there were—ayes 177, noes 130.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: Strike all after the resolving clause and insert in lieu thereof the following:

"That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out 'October 23, 1967' and inserting in lieu thereof 'November 23, 1967' and by adding the following language:

"*Provided further*, That for fiscal year 1968, unless hostilities in Vietnam and Southeast Asia should cease earlier, Federal spending of appropriated funds except expenditures from trust funds by each department and agency of Government, including the legislative and judicial branches, except for military expenditures of the Department of Defense directly related to our involvement in Southeast Asia, including pay of all military personnel, the payment of interest on the national debt, payments under the Social Security Act, veterans and other retirement benefits, medicare and old-age assistance payments, shall not exceed the amount expended during fiscal year 1967, except that the limitation on the Department of Transportation shall not be more than 95 per centum of the budgeted amount for 1968: *Provided further*, That where deemed necessary to maintain mail service, the President is authorized to exempt the Post Office Department from the provisions of this Act: *Provided further*, That should the President deem it necessary for collection of revenue, he is authorized to exempt, to the extent necessary, the Internal Revenue and the Customs Services: *Provided further*, That such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each department and agency not filling vacancies."

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I hope I can have order and I think, perhaps, having discussed this earlier, the best thing I can do would be to read my amendment, if the members of the Committee will follow me. It is my opinion that the language of the substitute amendment speaks for itself better than I can add to it. So, skipping over the formal part which the members of the

Committee heard read and which merely extends the time for the continuing resolution, the remainder is as follows:

*Provided further*, That for fiscal year 1968, unless hostilities in Vietnam and Southeast Asia should cease earlier, Federal spending of appropriated funds except expenditures from trust funds by each department and agency of Government, including the legislative and judicial branches, except for military expenditures of the Department of Defense directly related to our involvement in Southeast Asia, including pay of all military personnel, the payment of interest on the national debt, payments under the Social Security Act, veterans and other retirement benefits, medicare and old age assistance payments, shall not exceed the amount expended during fiscal year 1967, except that the limitation on the Department of Transportation shall not be more than 95 per centum of the budgeted amount for 1968: *Provided further*, That where deemed necessary to maintain mail service, the President is authorized to exempt the Post Office Department from the provisions of this Act: *And provided further*, should the President deem it necessary for collection of revenue, he is authorized to exempt, to the extent necessary, the Internal Revenue and the Customs Services: *Provided further*, That such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each department and agency not filling vacancies.

Mr. Chairman, there are several things that I believe I should again call to the attention of the Members. One is that fact that most of the departments in question have been operating at the 1967 level with few exceptions because they are required to do so by the continuing resolutions under which they have been operating, and those few exceptions have operated under 1968 appropriations for only a few weeks, so the reductions, to a tremendous degree, are reductions in proposed or authorized increased expenditures for the rest of this fiscal year. Where the Bow amendment as it stands would leave to the President the application of the reductions from the \$136.5 billion contemplated in the budget to \$131.5 billion, here we make the exceptions which the Members have heard, and we place the restrictions, department by department and agency by agency, on a fair and equitable basis.

Now, I realize that we are a growing country with more and more mail and more and more people, so I have provided that where the President determines that mail service requires it, he may make an exception to our restrictions. I do not know that I believe in the argument altogether about the Internal Revenue and Customs Service, but with an increasing workload and more and more people in our country, it stands to reason that they might require more people to collect more revenue. At any rate, should the President determine that either service does, he can make such determination and waive the requirements of my amendment for the Internal Revenue Service and the Customs Service to the extent necessary.

Now, we are all in a very practical business here. We cannot stop taking care of our country. You will recall I was the author of the successful motion some years ago to override the President's veto

of public works necessary for the protection of our country. With my feeling, and I certainly believe it expresses the intent of the Congress, I provide that insofar as possible in holding these departments and agencies in cutting or holding back expenditures to the 1967 level, which is about all any of them have known, that insofar as practical it may be done by stretching out the time schedule of performance and payment on contracts so that we ourselves will not be hereby necessitating the elimination of new projects. We must not stop taking care of our country in a time of war unless it is absolutely forced upon us. All depends upon how strong we keep our country at home. And then I say to each department and agency, "Insofar as practical, try to live by your 1967 level by not filling vacancies."

Now, we do not say that you cannot hire, we just say "insofar as practical," and, Mr. Chairman, in conclusion, I do not know how to do this job facing us any better than this to meet the problems that we have, as my amendment attempts to do.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ANDREWS of Alabama, and by unanimous consent, Mr. WHITTEN was allowed to proceed for 5 additional minutes.)

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. If I remember correctly, the gentleman stated earlier that his amendment would save approximately \$7 billion or \$7.5 billion, is that correct, based on the estimates the gentleman has had from the staff members of our committee?

Mr. WHITTEN. May I say to the gentleman, that is my judgment based on the best information I have. The spending budget or the money spent in fiscal year 1967 was \$125.7 billion. The budgeted spending for 1968 was \$136.5 billion making a difference of \$10.8 billion between 1967 and the amount budgeted for spending in 1968.

The reduced expenditures from the 1968 budget called for by my amendment has varied from \$5 billion to \$7.5 billion. I am inclined to believe that the figure \$7.5 billion is closer. There are a number of contingencies which cannot be firmly figured. But I would like to say at this point that under the Bow amendment which you just adopted, and for which I shall offer my substitute, you cut back only \$5 billion. Under my amendment I believe we will cut more, but more important it is done by cutting all departments and agencies back, or holding them back, to their 1967 levels, with the exception, of course, of Vietnam needs. Nearly all of them are, or were, until a short time ago, operating under continuing resolutions at the 1967 level or less. The few departments that have had their appropriation bills finally enacted have had them for only a relatively few weeks, so you are really not cutting anything back much from where it is, but just keeping them from expanding and spending, from going on up, and we make exceptions for old-age assist-



ance and other places where the number of people and the amount committed are something that we should not try to renege on at this time.

Mr. ANDREWS of Alabama. Under the provisions of your amendment, the cuts would be made by the Congress rather than by the President?

Mr. WHITTEN. It is. My amendment ties the limitation to the action of the Congress in providing money for 1967. That is one way. The other thing that this does as against the Bow amendment is that this makes it apply to each department and to each agency whereas the Bow amendment applies only to the whole Federal Government. The President could do anything so far as application of the \$5 billion holdback is concerned. In fact the Bow amendment invites him to—I think we need to make the tiedown ourselves.

Mr. ANDREWS of Alabama. In my opinion, the approach under the gentleman's amendment is much better than the approach under the amendment offered by the gentleman from Ohio [Mr. Bow] for the reason first that it would save more money and, secondly, that it is a more orderly way in which to impose reductions.

Mr. WHITTEN. I thank my friend and colleague from Alabama, who has contributed so much sound judgment to the Congress. Every department and agency knows what they spent last year so you have a solid starting point. So far as those agencies here that you might be interested in, we treat them all alike with exceptions in those areas where I think everybody here is willing to agree that we should have excepted. We cannot and would not want to cut people out of social security payments or old-age assistance when others no more qualified are receiving theirs. We may have many hundreds of thousands of more people entitled to certain benefits under the law in 1968 than in 1967. But I think that we, as Members of the Congress want to reserve the right to make these decisions. My amendment leaves the Congress where we have acted fairly, judiciously treating each department and agency alike and we have tried to have as a starting point 1967 where we, the Congress, set the figures. In this time of war what department or agency can rightly complain when we provide that they cannot go above at the 1967 spending level, which as I have said, is about all that any department has had. Of course, again I recognize the exception of the postal service where the workload may increase and the others provided in my amendment.

AMENDMENT OFFERED BY MR. BOW TO THE  
AMENDMENT OFFERED BY MR. WHITTEN

Mr. BOW. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Mississippi.

The Clerk read as follows:

Amendment offered by Mr. Bow to the amendment offered by Mr. WHITTEN: At the end of the substitute resolution add the following:

"Provided further, That net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968 shall not exceed \$131,500,000,000, except by those expenditures in excess of \$22 billion that the

President may determine are necessary in behalf of our military effort in Southeast Asia."

Mr. BOW. Mr. Chairman, I again will say that I am not going to take a great deal of the time of the Committee.

This is the Bow amendment which was just adopted to the regular bill and it now amends the substitute resolution.

If the substitute that has been offered by the gentleman from Mississippi does all the things that he says it does and there are some awfully good sounding words in it—let us top it off by putting a double lock on it and put on an expenditure limitation and have it the way he now has the House handling it, but let us be sure we have a lock on by putting a spending level in it.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. WHITTEN. May I say to the gentleman that if the language were modified to say "in no case to exceed \$131,500,000,000," I would have no objection.

Mr. BOW. That is exactly what it says.

Mr. WHITTEN. But there seemed to be some other language in the gentleman's amendment.

Mr. BOW. That is exactly what it says.

Mr. WHITTEN. I was interrupted. I am sorry. Will the gentleman repeat it?

Mr. BOW. The amendment states:

At the end of the substitute resolution add the following:

"Provided further, That net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968, shall not exceed \$131,500,000,000, except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia."

Mr. WHITTEN. I have to object to the last part of the amendment because the provision that I have stated, the \$22 billion, might be taken as a limitation and I would not want to risk that. If the gentleman would agree to strike out the last part of the amendment and follow the language of my amendment, I would have no objection to it.

Mr. BOW. I am sorry. I have about 50 Members advising me and I did not hear the gentleman.

Mr. WHITTEN. I said the amendment that I have offered would make an exception for all of the things that are directly related to our operations in South Vietnam. I am afraid that if the language having to do with the \$22 billion for operations in South Vietnam were to remain, it would be accepted as something of a limitation. If the gentleman would put a period after the \$131.5 billion—

Mr. BOW. I think the exception is there. If the President finds that they need money in excess of \$22 billion, the President can determine it is necessary and can spend it.

Mr. WHITTEN. I would certainly not agree to language which would place a limitation on meeting the needs of our men in Vietnam.

Mr. BOW. I think unintentionally the gentleman is doing the same thing.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. In examining the language of the Whitten amendment, and relating it to the particular provisions that are included in the Bow amendment, there is no conflict between the two—

Mr. WHITTEN. Mr. Chairman, will the gentleman from Ohio yield?

Mr. BOW. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say that, since I have not seen the language, I was trusting my memory, and now I observe the language "except those expenditures in excess of".

In view of that, I have no objection to the amendment though I believe it surplusage. My provision while reducing expenditures more ties the intent of the Congress down to department and agency rather than leaving the Executive the right to cut \$5,000,000,000 where he might want to.

Mr. MAHON. Mr. Chairman, I rise in opposition to the Bow amendment.

A somewhat confused situation exists. The Committee of the Whole House has approved a joint resolution making certain recisions, through debate and adoption, with some modification, of the first six sections of the joint resolution considered earlier this afternoon.

The gentleman from Mississippi has proposed to strike it out, and he has proposed a substitute amendment which is a modified form of the Bow amendment. It would eliminate the specific savings and reductions which were pinpointed in the original joint resolution. But it would make greater overall reductions—or, more precisely, deferrals of expenditures until 1969.

The gentleman from Ohio has now offered the Bow amendment, in its pure form, with all its chastity and attractiveness, to the Whitten substitute. It seems to me that we ought to preserve the work which we have done all afternoon and preserve the joint resolution which we have proposed.

Since Mr. WHITTEN's amendment would strike out the work of the House and give us one form of the Bow amendment, as I see it, and the gentleman from Ohio [Mr. Bow] would give us the real form of the Bow amendment, it would be better not to adopt the present Bow amendment and not to adopt the Whitten amendment and leave the joint resolution as it was. The House, in Committee of the Whole, acted. It exercised its will and adopted the original resolution which I had presented earlier in the afternoon, plus the Bow amendment.

As between the Bow amendment and the Whitten amendment, I would probably prefer the Whitten amendment, except that it strikes out all the other economy provisions which we have accepted during the afternoon. As the House knows, this resolution will go to the other body. It will not be approved, in my opinion, and we will be tied up here for I do not know how many days in connection with this matter, whichever way we go. I just wanted to outline the situation. The House, of course, is free to work its own will.



My best guess is that the Bow amendment, as a conservative estimate, will defer expenditures by \$5 billion, and probably by a much greater sum because spending is going higher than was estimated in the budget. Mr. WHITTEN's amendment, I think, would cut even more deeply, and this may be what the House would like to do. But I do not think it would be wise for us to take this step. However, the House must work its will on this very important measure.

In my opinion the \$7½ billion cut which we expect to make in appropriations requests is a wiser and more responsible course. The \$7½ billion would be a genuine saving. The Bow and Whitten proposals involve deferrals to a very considerable extent, rather than reductions, and the funds become available for expenditure after the end of fiscal 1968 if they are "no-year" funds. A dollar not appropriated is a dollar that cannot be spent, but a dollar appropriated but not spent this year may—and to a very considerable extent would be—spent after the end of fiscal 1968.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I heard the gentleman make the reference earlier to the fact that we would cut out the savings we had made earlier in the day. I saw the blackboard which the gentleman had and the savings under this substitute or the other—which are approximately twice as much as claimed by the gentleman.

May I say further—and I appreciate the gentleman yielding—that the gentleman's figures are tied to those of the Bureau of the Budget, which, of course, is an executive department, and I think it is much more sound to use as a starting point the actions of the Congress in 1967, and while our savings are twice those shown by the gentleman on the blackboard, it is done by pushing them back to the 1967 level, where most of them already are.

Mr. MAHON. Mr. Chairman, I would like to make this point, that the continuing resolutions which we have had—and we have had four of them—have not been tied to expenditures. The continuing resolutions have been tied to appropriations. Funds provided in previous years have not been under the jurisdiction of the continuing resolutions. The continuing resolutions only referred to appropriations and not to spending. So I would trust that the proposals would be voted down.

Mr. Chairman, I move that all debate on these amendments do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Bow] to the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The question was taken.

Mr. BOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Bow and Mr. MAHON.

The Committee divided, and the tellers reported that there were—ayes 192, noes 131.

So the amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA TO THE AMENDMENT OFFERED BY MR. WHITTEN

Mr. BROYHILL of Virginia. Mr. Chairman, I offer an amendment to the amendment offered the gentleman from Mississippi.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia to the amendment offered by Mr. WHITTEN: After the last proviso insert a new proviso to read:

"Provided further, That appropriations made by Public Law 90-102, as amended, shall be available for activities budgeted under 'Office of Economic Opportunity, Economic Opportunity Program' at a rate not in excess of that which would be provided for by an appropriation of \$1,200,000,000 for the fiscal year ending June 30, 1968."

Mr. MAHON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. MAHON. Mr. Chairman, this matter has already been approved by the House in a previous action. Therefore, I make a point of order against it.

Mr. BROYHILL of Virginia. Mr. Chairman, the language of my amendment is the same amendment that I attempted to offer prior to the time of debate. It was ruled out of order because a new section has been added. The new section will strike out all after the enacting clause, and this is merely an amendment to the amendment.

The CHAIRMAN. It is the ruling of the Chair that the amendment offered by the gentleman from Virginia is an amendment to the Whitten amendment and is therefore in order at this point.

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GERALD R. FORD. My understanding is, Mr. Chairman, that the Chair has ruled that the gentleman from Virginia has no time to discuss his amendment. It seems to me, if my recollection is correct, that the time limitation offered by the gentleman from Texas and approved by the House was only to the Bow amendment to the substitute. If that is true, then it would seem to me that the gentleman from Virginia would not be precluded and would have the opportunity to discuss his amendment.

The CHAIRMAN. It is the opinion of the Chair that the motion that was made to close debate was to the pending Whitten amendment and amendments thereto. Therefore, there is no more time for debate on this matter.

Mr. BROYHILL of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROYHILL of Virginia. I understand the Whitten amendment now reads that it would permit an expenditure by the Office of Economic Opportunity in this fiscal year of \$1,687,000,000. Is my understanding correct on that?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry.

The question is on the amendment offered by the gentleman from Virginia [Mr. BROYHILL] to the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

Mr. ARENDS. Mr. Chairman, I ask unanimous consent that the amendment be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. HAYS. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BROYHILL] to the amendment offered by the gentleman from Mississippi [Mr. WHITTEN]. The question was taken.

Mr. BROYHILL of Virginia. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROYHILL of Virginia and Mr. MAHON.

The Committee divided, and the tellers reported that there were—ayes 167, noes 132.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN] as amended.

AMENDMENT OFFERED BY MR. PASSMAN TO THE AMENDMENT OFFERED BY MR. WHITTEN

Mr. PASSMAN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Mississippi.

The Clerk read as follows:

Amendment offered by Mr. PASSMAN to the amendment offered by Mr. WHITTEN: At the end thereof add the following:

"Obligations during the period by section 1 hereof for activities to be authorized by the Foreign Assistance Act of 1967 (S. 1872 or similar legislation) shall not exceed an annual rate of \$2,000,000,000 during the fiscal year ending June 30, 1968."

Mr. PASSMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PASSMAN. Mr. Chairman, is it permissible to state to the Committee that this is the same amendment that was adopted earlier?

The CHAIRMAN. The Chair will state that that is not a parliamentary inquiry, and the amendment is not debatable.

The question is on the amendment offered by the gentleman from Louisiana [Mr. PASSMAN], to the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN], as amended.

Mr. WAGGONER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. WAGGONER. The Chair has stated the vote occurs now on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN]. Is it not more accurate to say that this is a vote on the substitute by the gentleman from Mississippi, as amended by the Bow,



Broyhill of Virginia, and Passman amendments?

The CHAIRMAN. This is the pending amendment on the Clerk's desk. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes, pursuant to House Resolution 949, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Mr. ALBERT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. ALBERT. Mr. Speaker, the parliamentary inquiry is—is it possible to get a separate vote on any of the amendments to the Whitten amendment, including the amendments reducing the OEO program and the foreign aid program?

The SPEAKER. Not in the House at this time. There is one amendment that has been reported by the Committee of the Whole.

Mr. ALBERT. Then the only vote on those amendments would be on the Whitten amendment itself.

The SPEAKER. The gentleman is correct.

The question is on the amendment. Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, is this vote on the Whitten amendment, as amended?

The SPEAKER. The vote is on the Whitten amendment, as amended.

Mr. GERALD R. FORD. So a vote "yea" is for the Whitten amendment, as amended, and a vote "nay" is obviously in opposition?

The SPEAKER. The question is on the amendment.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered. The question was taken; and there were—yeas 239, nays 164, not voting 30, as follows:

[Roll No. 319]

#### YEAS—239

Abbott	Belcher	Brown, Ohio
Abernethy	Bennett	Broyhill, N.C.
Adair	Berry	Broyhill, Va.
Anderson, Ill.	Betts	Buchanan
Andrews, Ala.	Bevill	Burke, Fla.
Andrews, N. Dak.	Blester	Burleson
Arends	Blackburn	Burton, Utah
Ashbrook	Blanton	Bush
Ashmore	Bow	Byrnes, Wis.
Ayres	Bray	Cabell
Baring	Brinkley	Cahill
Bates	Brock	Carter
Battin	Brotzman	Cederberg
	Brown, Mich.	Chamberlain

Clancy	Hunt	Rhodes, Ariz.
Clausen,	Hutchinson	Rlegle
Don H.	Ichord	Rivers
Clawson, Del.	Jarman	Roberts
Cleveland	Johnson, Pa.	Robison
Collier	Jonas	Rogers, Fla.
Colmer	Kelth	Roth
Conable	Kling, N.Y.	Roudebush
Conte	Kleppe	Rumsfeld
Corbett	Kornegay	Ruppe
Cowger	Kuykendall	Sandman
Cramer	Kyl	Satterfield
Cunningham	Laird	Saylor
Curtis	Langen	Schadeberg
Davis, Ga.	Lennon	Schle
Davis, Wis.	Lipscomb	Schneebeli
Dellenback	Lloyd	Schwelker
Denney	Long, La.	Schwengel
Derwinski	Lukens	Scott
Devine	McClory	Selden
Dickinson	McClure	Shipley
Dole	McCulloch	Shriver
Dorn	McDade	Skles
Dowdy	McDonald,	Skubitz
Downing	Mich.	Smith, Calif.
Duncan	McEwen	Smith, N.Y.
Dwyer	McMillan	Smith, Okla.
Edwards, Ala.	MacGregor	Snyder
Edwards, La.	Machen	Springer
Erlenborn	Malliard	Stafford
Esch	Marsh	Stanton
Eshleman	Martin	Stelger, Ariz.
Everett	May	Steiger, Wis.
Findley	Mayne	Stubblefield
Fino	Meskill	Stuckey
Fisher	Michel	Taft
Flynt	Miller, Ohio	Talcott
Foley	Mills	Taylor
Ford, Gerald R.	Minshall	Teague, Calif.
Frelinghuysen	Mize	Teague, Tex.
Fulton, Pa.	Montgomery	Thompson, Ga.
Galifianakis	Moore	Thomson, Wis.
Gardner	Morris, N. Mex.	Tuck
Gathings	Morton	Ullman
Gettys	Mosher	Utt
Goodell	Myers	Vander Jagt
Goodling	Nelsen	Waggoner
Gross	Nichols	Walker
Grover	O'Konski	Wampler
Gubser	O'Neal, Ga.	Watkins
Gurney	Passman	Watson
Hagan	Pelly	Watts
Haley	Pettis	Whalley
Hall	Pirnie	White
Halleck	Poage	Whitener
Hammer-	Poff	Whitten
schmidt	Pollock	Widnall
Hansen, Idaho	Pool	Wiggins
Hardy	Price, Tex.	Williams, Pa.
Harrison	Pryor	Winn
Harsha	Quie	Wyatt
Harvey	Quillen	Wydler
Heckler, Mass.	Railsback	Wylie
Henderson	Randall	Wyman
Hosmer	Reld, Ill.	Zion
Hull	Relfel	Zwach
Hungate	Reinecke	

#### NAYS—164

Adams	Dulski	Hicks
Addabbo	Eckhardt	Holifield
Albert	Edmondson	Horton
Anderson,	Eilberg	Howard
Tenn.	Evans, Colo.	Irwin
Annunzio	Evins, Tenn.	Jacobs
Ashley	Fallon	Joelson
Aspinall	Farbstein	Johnson, Calif.
Barrett	Fascell	Jones, Ala.
Bingham	Feighan	Karsten
Blatnik	Flood	Karth
Boland	Ford,	Kastenmeier
Bolling	William D.	Kazen
Brademas	Fraser	Kee
Brasco	Friedel	Kelly
Brooks	Fulton, Tenn.	King, Calif.
Brown, Calif.	Gallagher	Kirwan
Burke, Mass.	Garmatz	Kluczynski
Burton, Calif.	Gialmo	Kupferman
Button	Gibbons	Kyros
Byrne, Pa.	Gilbert	Leggett
Carey	Gonzalez	Long, Md.
Casey	Gray	McCarthy
Celler	Green, Oreg.	McFall
Clark	Green, Pa.	Macdonald,
Cohelan	Griffiths	Mass.
Conyers	Gude	Madden
Corman	Halpern	Mahon
Daddario	Hamilton	Mathias, Md.
Daniels	Hanley	Matsunaga
de la Garza	Hanna	Meeds
Delaney	Hansen, Wash.	Miller, Calif.
Dent	Hathaway	Minish
Diggs	Hawkins	Mink
Dingell	Hays	Monagan
Donohue	Hechler, W. Va.	Moorhead
Don	Helstoski	Morse, Mass.

Moss	Reid, N.Y.	Staggers
Multer	Resnick	Steed
Murphy, Ill.	Reuss	Stratton
Murphy, N.Y.	Rhodes, Pa.	Sullivan
Natcher	Rodino	Thompson, N.J.
Nedzi	Rogers, Colo.	Tieman
Nix	Ronan	Udall
O'Hara, Ill.	Rooney, N.Y.	Van Deerlin
O'Hara, Mich.	Rooney, Pa.	Vanik
Olsen	Rosenthal	Vigorito
O'Neill, Mass.	Rostenkowski	Waldie
Ottlinger	Roush	Whalen
Patten	Roybal	Willson,
Perkins	Ryan	Charles H.
Phillbin	St Germain	Wolf
Pickle	Scheuer	Wright
Pike	Sisk	Yates
Price, Ill.	Slack	Young
Pucinski	Smith, Iowa	Zablocki

#### NOT VOTING—30

Bell	Herlong	Purcell
Boggs	Holland	Rarick
Bolton	Jones, Mo.	Rees
Broomfield	Jones, N.C.	St. Onge
Culver	Landrum	Stephens
Dawson	Latta	Tenzer
Edwards, Calif.	Mathias, Calif.	Tunney
Fountain	Morgan	Williams, Miss.
Fuqua	Patman	Willis
Hébert	Pepper	Wilson, Bob

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Fountain for, with Mr. Boggs against.  
Mrs. Bolton for, with Mr. Morgan against.  
Mr. Stephens for, with Mr. Tenzer against.  
Mr. Jones of North Carolina for, with Mr. Willis against.

Mr. Landrum for, with Mr. Pepper against.  
Mr. Rarick for, with Mr. St. Onge against.  
Mr. Bob Wilson for, with Mr. Patman against.

Mr. Latta for, with Mr. Holland against.  
Mr. Broomfield for, with Mr. Dawson against.

Mr. Fuqua for, with Mr. Culver against.  
Mr. Herlong for, with Mr. Edwards of California against.

Until further notice:

Mr. Hébert with Mr. Mathias of California.  
Mr. Tunney with Mr. Bell.  
Mr. Rees with Mr. Purcell.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

#### MOTION TO RECOMMIT

Mr. KUPFERMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. KUPFERMAN. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KUPFERMAN moves to recommit the joint resolution to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The question is on the motion to recommit.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 158, nays 244, not voting 30, as follows:



[Roll No. 320]

## YEAS—158

Adams	Garmatz	Multer
Addabbo	Glaimo	Murphy, Ill.
Albert	Gibbons	Murphy, N.Y.
Anderson, Tenn.	Gilbert	Natcher
Annunzio	Gonzalez	Nedzi
Ashley	Gray	Nix
Barrett	Green, Oreg.	O'Hara, Ill.
Bingham	Green, Pa.	O'Hara, Mich.
Blatnik	Griffiths	Olsen
Boland	Gude	O'Neill, Mass.
Bolling	Halpern	Ottlinger
Brademas	Hamilton	Patten
Brasco	Hanley	Perkins
Brooks	Hanna	Philbin
Brown, Calif.	Hansen, Wash.	Price, Ill.
Burke, Mass.	Hathaway	Pucinski
Burton, Calif.	Hawkins	Reid, N.Y.
Button	Hays	Resnick
Byrne, Pa.	Hechler, W. Va.	Reuss
Carey	Helstoski	Rhodes, Pa.
Casey	Hicks	Rodino
Celler	Hollifield	Ronan
Clark	Horton	Rooney, N.Y.
Cohelan	Howard	Rooney, Pa.
Conyers	Irwin	Rosenthal
Corman	Jacobs	Rostenkowski
Daddario	Joelson	Roush
Daniels	Johnson, Calif.	Roybal
de la Garza	Karsten	Ruppe
Delaney	Karth	Ryan
Dent	Kastenmeier	St Germain
Diggs	Kazen	Scheuer
Dingell	Kee	Shipley
Donohue	Kelly	Sisk
Dow	King, Calif.	Slack
Dulski	Kirwan	Smith, Iowa
Eckhardt	Kupferman	Staggers
Edmondson	Kyros	Sullivan
Eilberg	Leggett	Thompson, N.J.
Evans, Colo.	Long, Md.	Tiernan
Evins, Tenn.	McCarthy	Udall
Fallon	McFall	Van Deerlin
Farbstein	Madden	Vanik
Fascell	Mahon	Vigorito
Feighan	Mathias, Md.	Waldie
Flood	Matsunaga	Whalen
Foley	Meeds	Wilson
Ford	Miller, Calif.	Charles H.
William D.	Minish	Wolff
Fraser	Mink	Wright
Friedel	Monagan	Yates
Fulton, Tenn.	Moorhead	Young
Gallagher	Morse, Mass.	Zablocki
	Moss	

## NAYS—244

Abbitt	Cleveland	Haley
Abernethy	Collier	Hall
Adair	Colmer	Halleck
Anderson, Ill.	Conable	Hammer-
Andrews, Ala.	Conte	schmidt
Andrews, N. Dak.	Corbett	Hansen, Idaho
Arends	Cowger	Hardy
Ashbrook	Cramer	Harrison
Ashmore	Cunningham	Harsha
Aspinall	Curtis	Harvey
Ayres	Davis, Ga.	Heckler, Mass.
Baring	Davis, Wis.	Henderson
Bates	Dellenback	Hosmer
Battin	Denney	Hull
Belcher	Derwinski	Hungate
Bennett	Devine	Hunt
Berry	Dickinson	Hutchinson
Betts	Dole	Ichord
Bevill	Dorn	Jarman
Blester	Dowdy	Johnson, Pa.
Blackburn	Downing	Jonas
Blanton	Duncan	Jones, Ala.
Bow	Dwyer	Keith
Bray	Edwards, Ala.	King, N.Y.
Brinkley	Edwards, La.	Kleppe
Brock	Erlenborn	Kluczynski
Brotzman	Esch	Kornegay
Brown, Mich.	Eshleman	Kuykendall
Brown, Ohio	Everett	Kyl
Broyhill, N.C.	Findley	Laird
Broyhill, Va.	Fino	Langen
Buchanan	Fisher	Lennon
Burke, Fla.	Flynt	Lipscomb
Burleson	Ford, Gerald R.	Long, La.
Burton, Utah	Frelinghuysen	Lukens
Bush	Fulton, Pa.	McClory
Byrnes, Wis.	Gallifanakis	McClure
Cabell	Gardner	McCulloch
Cahill	Gathings	McDade
Carter	Gettys	McDonald,
Cederberg	Goodell	Mich.
Chamberlain	Goodling	McEwen
Clancy	Gross	McMillan
Clausen,	Grover	Macdonald,
Don H.	Gubser	Mass.
Clawson, Del	Gurney	
	Hagan	

MacGregor	Rallsback	Steiger, Wls.
Machen	Randall	Stratton
Malliard	Reid, Ill.	Stubblefield
Marsh	Reifel	Stuckey
Martin	Reinecke	Taft
May	Rhodes, Ariz.	Talcott
Mayne	Riegle	Taylor
Meskill	Rivers	Teague, Calif.
Michel	Roberts	Teague, Tex.
Miller, Ohio	Robison	Thompson, Ga.
Mills	Rogers, Colo.	Thomson, Wls.
Minshall	Rogers, Fla.	Tuck
Mize	Roth	Ullman
Montgomery	Roudebush	Utt
Moore	Rumsfeld	Vander Jagt
Morris, N. Mex.	Sandman	Waggonner
Morton	Satterfield	Walker
Mosher	Saylor	Wampler
Myers	Schadeberg	Watkins
Nelsen	Scherle	Watson
Nichols	Schneebeli	Watts
O'Konski	Schweiker	Whalley
O'Neal, Ga.	Schwengel	White
Passman	Scott	Whitener
Pelly	Selden	Whitten
Pettis	Shriver	Widnall
Pickle	Sikes	Wiggins
Pike	Skubitz	Williams, Pa.
Pirnie	Smith, Calif.	Wilson, Bob
Poage	Smith, N.Y.	Winn
Poff	Smith, Okla.	Wyatt
Pollock	Snyder	Wydler
Pool	Springer	Wylie
Price, Tex.	Stafford	Wyman
Pryor	Stanton	Zion
Quillen	Steed	Zwach
	Steiger, Ariz.	

## NOT VOTING—30

Bell	Herlong	Pepper
Boggs	Holland	Purcell
Bolton	Jones, Mo.	Rarick
Broomfield	Jones, N.C.	Rees
Culver	Landrum	St. Onge
Dawson	Latta	Stephens
Edwards, Calif.	Lloyd	Tenzer
Fountain	Mathias, Calif.	Tunney
Fuqua	Morgan	Williams, Miss.
Hébert	Patman	Willis

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Boggs for, with Mrs. Bolton against.  
 Mr. Patman for, with Mr. Broomfield against.  
 Mr. St. Onge for, with Mr. Latta against.  
 Mr. Morgan for, with Mr. Lloyd against.  
 Mr. Tenzer for, with Mr. Hébert against.  
 Mr. Willis for, with Mr. Fountain against.  
 Mr. Pepper for, with Mr. Stephens against.  
 Mr. Culver for, with Mr. Jones of North Carolina against.  
 Mr. Holland for, with Mr. Landrum against.  
 Mr. Tunney for, with Mr. Rarick against.  
 Mr. Rees for, with Mr. Fuqua against.  
 Mr. Dawson for, with Mr. Herlong against.

Until further notice:

Mr. Edwards of California with Mr. Purcell.  
 Mr. Williams of Mississippi with Mr. Bell.

Mr. HARDY changed his vote from "yea" to "nay."

Messrs. BOLAND, GRAY, CHARLES H. WILSON, and EVANS of Colorado changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the passage of the joint resolution.

Mr. KYL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 253, nays 143, not voting 36, as follows:

[Roll No. 321]

## YEAS—253

Abbitt	Ford, Gerald R.	O'Neal, Ga.
Abernethy	Frelinghuysen	Passman
Adair	Fulton, Pa.	Pelly
Adams	Fulton, Tenn.	Pettis
Anderson, Ill.	Gallifanakis	Pike
Anderson, Tenn.	Gardner	Pirnie
Andrews, Ala.	Garmatz	Poage
Andrews, N. Dak.	Gathings	Poff
Arends	Gettys	Pollock
Ashbrook	Glaimo	Pool
Ashmore	Gibbons	Price, Tex.
Aspinall	Goodell	Pryor
Ayres	Goodling	Quile
Baring	Gray	Quillen
Bates	Green, Oreg.	Rallsback
Battin	Gross	Randall
Belcher	Grover	Reid, Ill.
Bennett	Gubser	Reifel
Berry	Gurney	Reinecke
Betts	Hagan	Rhodes, Ariz.
Bevill	Haley	Riegle
Blester	Hall	Rivers
Blackburn	Halleck	Roberts
Blanton	Hammer-	Robison
Bow	schmidt	Rogers, Colo.
Bray	Hanley	Rogers, Fla.
Brinkley	Hansen, Idaho	Roth
Brock	Hardy	Roudebush
Brotzman	Harrison	Rumsfeld
Brown, Mich.	Harsha	Ruppe
Brown, Ohio	Harvey	Sandman
Broyhill, N.C.	Hechler, W. Va.	Satterfield
Broyhill, Va.	Heckler, Mass.	Saylor
Buchanan	Henderson	Schadeberg
Burke, Fla.	Hosmer	Scherle
Burleson	Hull	Schneebeli
Burton, Utah	Hungate	Schweiker
Bush	Hunt	Schwengel
Byrnes, Wls.	Hutchinson	Scott
Cabell	Ichord	Selden
Cahill	Jarman	Shipley
Carter	Johnson, Pa.	Shriver
Casey	Jonas	Sikes
Cederberg	Keith	Skubitz
Chamberlain	Kling, N.Y.	Smith, Calif.
Clancy	Kleppe	Smith, N.Y.
Clausen,	Kornegay	Smith, Okla.
Don H.	Kuykendall	Snyder
Clawson, Del	Kyl	Springer
Cleveland	Kyros	Stafford
Collier	Laird	Stanton
Colmer	Langen	Steiger, Ariz.
Conable	Lennon	Steiger, Wls.
Conte	Lipscomb	Stratton
Corbett	Long, La.	Stubblefield
Cowger	Lukens	Stuckey
Cramer	McClory	Taft
Cunningham	McClure	Talcott
Curtis	McCulloch	Taylor
Davis, Ga.	McDade	Teague, Calif.
Davis, Wis.	McDonald,	Thompson, Ga.
Dellenback	Mich.	Thomson, Wis.
Denney	McEwen	Tuck
Devine	McMillan	Ullman
Dickinson	Macdonald,	Vander Jagt
Dole	Mass.	Waggonner
Dorn	MacGregor	Walker
Dowdy	Machen	Wampler
Downing	Malliard	Watkins
Duncan	Marsh	Watson
Dwyer	Martin	Watts
Edwards, Ala.	May	Whalley
Edwards, La.	Mayne	White
Eilberg	Meskill	Whitener
Erlenborn	Michel	Whitten
Esch	Miller, Ohio	Widnall
Eshleman	Mills	Wiggins
Everett	Minshall	Williams, Pa.
Evins, Tenn.	Mize	Winn
Fallon	Montgomery	Wyatt
Findley	Moore	Wydler
Fino	Morris, N. Mex.	Wylie
Fisher	Morton	Wyman
Flynt	Myers	Zion
Foley	Nelsen	Zwach
	Nichols	
	O'Konski	

## NAYS—143

Addabbo	Burton, Calif.	Dent
Albert	Button	Derwinski
Annunzio	Byrne, Pa.	Diggs
Barrett	Carey	Dingell
Bingham	Celler	Donohue
Blatnik	Clark	Dow
Boland	Cohelan	Dulski
Bolling	Conyers	Eckhardt
Brademas	Corman	Edmondson
Brasco	Daddario	Evans, Colo.
Brooks	Daniels	Farbstein
Brown, Calif.	de la Garza	Fascell
Burke, Mass.	Delaney	Feighan



Flood	Kupferman	Rhodes, Pa.
Ford	Leggett	Rodino
William D.	Long, Md.	Ronan
Fraser	McCarthy	Rooney, N.Y.
Friedel	McFall	Rooney, Pa.
Gallagher	Madden	Rosenthal
Gilbert	Mahon	Rostenkowski
Gonzalez	Mathias, Md.	Roush
Green, Pa.	Matsunaga	Roybal
Griffiths	Meeds	Ryan
Gude	Miller, Calif.	St Germain
Halpern	Minish	Scheuer
Hamilton	Mink	Sisk
Hanna	Monagan	Slack
Hansen, Wash.	Moorhead	Smith, Iowa
Hathaway	Moss	Staggers
Hays	Multer	Steed
Helstoski	Murphy, Ill.	Sullivan
Hicks	Murphy, N.Y.	Teague, Tex.
Holifield	Natcher	Thompson, N.J.
Horton	Nedzi	Tiernan
Howard	Nix	Udall
Irwin	O'Hara, Ill.	Van Deerlin
Jacobs	O'Hara, Mich.	Vanik
Joelson	Olsen	Vigorito
Johnson, Calif.	O'Neill, Mass.	Waldie
Jones, Ala.	Ottinger	Whalen
Karsten	Patten	Wilson,
Karth	Perkins	Charles H.
Kastenmeier	Philbin	Wolff
Kazen	Pickle	Wright
Kee	Price, Ill.	Yates
Kelly	Pucinski	Young
King, Calif.	Reid, N.Y.	Zablocki
Kirwan	Resnick	
Kluczynski	Reuss	

## NOT VOTING—36

Ashley	Herlong	Pepper
Bell	Holland	Purcell
Boggs	Jones, Mo.	Rarick
Bolton	Jones, N.C.	Rees
Broomfield	Landrum	St. Onge
Culver	Latta	Stephens
Dawson	Lloyd	Tenzer
Edwards, Calif.	Mathias, Calif.	Tunney
Fountain	Morgan	Utt
Fuqua	Morse, Mass.	Williams, Miss.
Hawkins	Mosher	Willis
Hébert	Patman	Wilson, Bob

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. St. Onge against.  
 Mr. Landrum for, with Mr. Boggs against.  
 Mr. Fountain for, with Mr. Morgan against.  
 Mr. Stephens for, with Mr. Hawkins against.  
 Mr. Rarick for, with Mr. Holland against.  
 Mr. Fuqua for, with Mr. Morse of Massachusetts against.  
 Mr. Herlong for, with Mr. Pepper against.  
 Mr. Jones of North Carolina for, with Mr. Patman against.  
 Mrs. Bolton for, with Mr. Culver against.  
 Mr. Broomfield for, with Mr. Tenzer against.  
 Mr. Latta for, with Mr. Ashley against.  
 Mr. Mosher for, with Mr. Dawson against.  
 Mr. Utt for, with Mr. Edwards of California against.  
 Mr. Bell for, with Mr. Rees against.  
 Mr. Lloyd for, with Mr. Tunney against.  
 Mr. Mathias of California for, with Mr. Willis against.

Until further notice:

Mr. Williams of Mississippi with Mr. Purcell.

Mr. McCARTHY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the joint resolution just passed and that they be permitted to include certain brief and pertinent excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## AMENDING THE COMMUNICATIONS ACT OF 1934—CONFERENCE REPORT

Mr. STAGGERS submitted the following conference report and statement on the bill (S. 1160) to amend the Communications Act of 1934 by extending and improving the provisions thereof relating to grants for construction of educational television broadcasting facilities, by authorizing assistance in the construction of noncommercial educational radio broadcasting facilities, by establishing a nonprofit corporation to assist in establishing innovative educational programs, to facilitate educational program availability, and to aid the operation of educational broadcasting facilities; and to authorize a comprehensive study of instructional television and radio; and for other purposes:

## CONFERENCE REPORT (H. REPT. NO. 794)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1160) to amend the Communications Act of 1934 by extending and improving the provisions thereof relating to grants for construction of educational television broadcasting facilities, by authorizing assistance in the construction of noncommercial educational radio broadcasting facilities, by establishing a nonprofit corporation to assist in establishing innovative educational programs, to facilitate educational program availability, and to aid the operation of educational broadcasting facilities; and to authorize a comprehensive study of instructional television and radio; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Public Broadcasting Act of 1967'.

## "TITLE I—CONSTRUCTION OF FACILITIES

## "EXTENSION OF DURATION OF CONSTRUCTION GRANTS FOR EDUCATIONAL BROADCASTING

"SEC. 101. (a) Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended by inserting after the first sentence the following new sentence: 'There are also authorized to be appropriated for carrying out the purposes of such section, \$10,500,000 for the fiscal year ending June 30, 1968, \$12,500,000 for the fiscal year ending June 30, 1969, and \$15,000,000 for the fiscal year ending June 30, 1970.'

"(b) The last sentence of such section is amended by striking out 'July 1, 1968' and inserting in lieu thereof 'July 1, 1971'.

## "MAXIMUM ON GRANTS IN ANY STATE

"SEC. 102. Effective with respect to grants made from appropriations for any fiscal year beginning after June 30, 1967, subsection (b) of section 392 of the Communications Act of 1934 (47 U.S.C. 392(b)) is amended to read as follows:

"(b) The total of the grants made under this part from the appropriation for any fiscal year for the construction of noncommercial educational television broadcasting facilities and noncommercial educational

radio broadcasting facilities in any State may not exceed 8½ per centum of such appropriation.'

## "NONCOMMERCIAL EDUCATIONAL RADIO BROADCASTING FACILITIES

"SEC. 103. (a) Section 390 of the Communications Act of 1934 (47 U.S.C. 390) is amended by inserting 'noncommercial' before 'educational' and by inserting 'or radio' after 'television'.

"(b) Subsection (a) of section 392 of the Communications Act of 1934 (47 U.S.C. 392 (a)) is amended by—

"(1) inserting 'noncommercial' before 'educational' and by inserting 'or radio' after 'television' in so much thereof as precedes paragraph (1);

"(2) striking out clause (B) of such paragraph and inserting in lieu thereof '(B) in the case of a project for television facilities, the State noncommercial educational television agency or, in the case of a project for radio facilities, the State educational radio agency;'

"(3) inserting '(i) in the case of a project for television facilities,' after '(D)' and 'noncommercial' before 'educational' in paragraph (1)(D) and by inserting before the semicolon at the end of such paragraph ', or (ii) in the case of a project for radio facilities, a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage noncommercial educational radio broadcasting and is eligible to receive a license from the Federal Communications Commission; or meets the requirements of clause (1) and is also organized to engage in or encourage such radio broadcasting and is eligible for such a license for such a radio station';

"(4) striking out 'or' immediately preceding '(D)' in paragraph (1), and by striking out the semicolon at the end of such paragraph and inserting in lieu thereof the following: ', or (E) a municipality which owns and operates a broadcasting facility transmitting only noncommercial programs;'

"(5) striking out 'television' in paragraphs (2), (3), and (4) of such subsection;

"(6) striking out 'and' at the end of paragraph (3), striking out the period at the end of paragraph (4) and inserting in lieu thereof '; and', and inserting after paragraph (4) the following new paragraph:

"(5) that, in the case of an application with respect to radio broadcasting facilities, there has been comprehensive planning for educational broadcasting facilities and services in the area the applicant proposes to serve and the applicant has participated in such planning, and the applicant will make the most efficient use of the frequency assignment.'

"(c) Subsection (c) of such section is amended by inserting '(1)' after '(c)' and 'noncommercial' before 'educational television broadcasting facilities', and by inserting at the end thereof the following new paragraph:

"(2) In order to assure proper coordination of construction of noncommercial educational radio broadcasting facilities within each State which has established a State educational radio agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.'

"(d) Subsection (d) of such section is amended by inserting 'noncommercial' before 'educational television' and inserting 'or noncommercial educational radio broadcasting facilities, as the case may be,' after 'educational television broadcasting facilities' in clauses (2) and (3).







90TH CONGRESS  
1ST SESSION

# H. J. RES. 888

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 19, 1967

Read twice and referred to the Committee on Appropriations

---

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1968, and  
for other purposes.

1      *Resolved by the Senate and House of Representatives*  
2      *of the United States of America in Congress assembled,*

3      That the joint resolution of October 5, 1967 (Public  
4      Law 90-102) is hereby amended by striking out "October  
5      23, 1967" and inserting in lieu thereof "November 23,  
6      1967" and by adding the following language:

7      Provided further that for fiscal year 1968, unless hostil-  
8      ities in Viet Nam and Southeast Asia should cease earlier,  
9      Federal spending of appropriated funds except expenditures  
10     from trust funds by each Department and Agency of govern-  
11     ment, including the Legislative and Judicial branches, except



1 for military expenditures of the Department of Defense  
2 directly related to our involvement in Southeast Asia, includ-  
3 ing pay of all military personnel, the payment of interest  
4 on the National Debt, payments under the Social Security  
5 Act, veterans and other retirement benefits, medicare and  
6 old age assistance payments, shall not exceed the amount  
7 expended during fiscal year 1967, except that the limitation  
8 on the Department of Transportation shall not be more than  
9 95 percentum of the Budgeted amount for 1968. Provided  
10 further that where deemed necessary to maintain mail serv-  
11 ice, the President is authorized to exempt the Post Office  
12 Department from the provisions of this Act; and provided  
13 further, should the President deem it necessary for collection  
14 of revenue, he is authorized to exempt, to the extent neces-  
15 sary, the Internal Revenue and the Customs Services.

16        Provided further that such reduction of expenditures in-  
17 sofar as practical may be made by stretching out the time  
18 schedule of performance and payment on contracts so as not  
19 to require the elimination of new construction starts, and  
20 by each Department and Agency not filling vacancies.

21        "Provided further, that net aggregate administrative  
22 budget expenditures during the fiscal year ending June 30,  
23 1968 shall not exceed \$131,500,000,000, except by those  
24 expenditures in excess of \$22 billion that the President may

1 determine are necessary in behalf of our military effort in  
2 Southeast Asia.”

3 “Provided further, that appropriations made by Public  
4 Law 90-102, as amended, shall be available for activities  
5 budgeted under “Office of Economic Opportunity, Economic  
6 Opportunity Program” at a rate not in excess of that which  
7 would be provided for by an appropriation of \$1,200,000,000  
8 for the fiscal year ending June 30, 1968.

9 SEC. —. Obligations during the period by section 1  
10 hereof for activities to be authorized by the Foreign Assist-  
11 ance Act of 1967 (S. 1872 or similar legislation) shall not  
12 exceed an annual rate of \$2,000,000,000 during the fiscal  
13 year ending June 30, 1968

Passed the House of Representatives October 18, 1967.

Attest:

W. PAT JENNINGS,

*Clerk.*



90<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. J. RES. 888

## JOINT RESOLUTION

Making continuing appropriations for the fiscal  
year 1968, and for other purposes.

OCTOBER 19, 1967

Read twice and referred to the Committee on  
Appropriations







# **DIGEST** of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 23, 1967  
For actions of Oct. 20, 1967  
90th-1st; No. 169

## CONTENTS

Adjournment.....10,21	Farm Bureau.....16	Repeal legislation.....3
Air pollution.....15,22	Foreign trade.....7	Research.....26
Appropriations.....1,13,20	Forestry.....12,24	Spending.....9,14
Census.....23	Legislative program.....20	Tobacco.....3
Containers.....3	Meat inspection.....17	Water systems.....8
Continuing appropriations.....1	Milk.....2	Wilderness areas.....6,25
Cotton.....20	Naval stores.....3	Wildlife.....5
Economic development....27	Personnel.....19	Wool.....3
Electrification.....18	Potato labeling.....4	
	Poverty.....11	

**HIGHLIGHTS:** Senate committee reported continuing resolution. Senate passed military milk program extension and repeal of Standard Containers, Tobacco Seed and Plant Exportation, Naval Stores, and Wool Standards Acts. House committee voted to report poverty bill. House debated bill to facilitate exchange of forest lands for schools. House committee reported bill to increase authorization for forest survey.

## SENATE

- 1. APPROPRIATIONS.** The Appropriations Committee reported with amendments H. J. Res. 888, to continue the appropriations of agencies whose regular appropriation bills have not yet been enacted. The Daily Digest states, "As approved by the committee, the bill would continue appropriations to Nov. 15, instead of Nov. 23 as stipulated by the House-passed bill, and would delete House-imposed restrictions on Federal expenditures" (S. Rept. 672). p. D938
- 2. MILK.** Passed as reported S. 2179, to extend for 3 years the milk program for the Armed Forces and veterans' hospitals. p. S15057
- 3. REPEAL LEGISLATION.** Passed without amendment S. 2068, to repeal the Standard Containers Acts of 1916 and 1928, the Tobacco Seed and Plant Exportation Act of 1940, the Naval Stores Act of 1923, and the Wool Standards Act of 1928. p. S15056



4. POTATO LABELING. Sen. Church spoke in favor of S. 562, to require labeling of potatoes to show the State of origin, and inserted testimony before the Commerce Committee in support of this measure. pp. S15053-6
5. WILDLIFE. Sen. Yarborough thanked the news reporters "who have played so essential and commendable a part in bringing into the public eye the dangers which are faced by our American wildlife and endangered species throughout the world." He also spoke in favor of his bill S. 4, to create the Big Thicket National Park, Tex., and S. Con. Res. 41, to convene a World Conference on the Conservation of Wildlife. pp. S15060-4
6. WILDERNESS AREAS. Sen. Moss disagreed with the implementation of the Act to set aside wilderness areas and stated, "The policy to date has always been to preserve areas of wilderness in the parks, and there is no reason to believe that objective will change with the change of administrations or for any other cause. I think it peculiar that we should tell the Park Service to tie its own hands so far as future planning and management are concerned." p. S15066
7. FOREIGN TRADE. Sen. Mundt inserted a resolution adopted by the VFW "Opposing All Forms of Trade, Commerce, and Financial Assistance to Communist or Communist-Controlled Nations." p. S15066
8. WATER SYSTEMS. Sen. Symington commended the work of the Farmers Home Administration in helping a rural county in Mo. obtain a county-wide water system and inserted an article relating to this project. pp. S15068-9
9. SPENDING. Sen. Proxmire stated that "the absence of a budgeting priority system continues to create a shambles within the Government. Everyone wants economy in Government, but the methods now being pursued can only lead to disastrous conditions and overall higher costs." pp. S15078-9
10. ADJOURNED until Mon., Oct. 23. p. S15081

#### HOUSE

11. POVERTY. The Education and Labor Committee voted to report (but did not actually report) S. 2388, amended, the poverty bill. p. D940
12. FORESTRY. Debated H. R. 10442, to provide for cash equalization of certain land exchanges proposed by public school authorities under laws authorizing the exchange of national forest or other lands administered by the Forest Service (pp. H13756-61). Rejected, 39-49, an amendment by Rep. Hosmer to provide that the funds go into miscellaneous receipts rather than into a special fund (pp. H13759-60). Rejected, 30-191, a motion by Rep. Hosmer to recommit the bill (pp. H13760-1).  
The Agriculture Committee reported without amendment S. 1136, to increase from \$2½ million to \$5 million the authorization for the survey of forest resources (H. Rept. 802). p. H13782
13. APPROPRIATIONS. Received the conference reports on H. R. 9960, the independent offices and HUD appropriation bill (H. Rept. 803)(pp. H13754-6), and H. R. 12474, the NASA appropriation bill (H. Rept. 804)(p. H13756).
14. SPENDING. Reps. Joelson and Resnick recommended additional air-pollution control. pp. H13771, H13775

## CONTINUING APPROPRIATIONS, FISCAL YEAR 1968

OCTOBER 20, 1967.—Ordered to be printed

Filed under authority of the order of the Senate of March 16, 1967

Mr. HAYDEN, from the Committee on Appropriations,  
submitted the following

### REPORT

[To accompany H.J. Res. 888]

The Committee on Appropriations, to which was referred the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the joint resolution as amended do pass.

The continuing resolution, as passed by the House of Representatives, extended the termination date of the existing continuing resolution from October 23, 1967, to November 23, 1967, and included several provisions designed to effect reductions in fiscal 1968 expenditures. The committee has amended the termination date from November 23, 1967, to November 15, 1967, and eliminated the other provisions contained in the House-passed resolution.

It was the view of the committee that every effort should be made in the House of Representatives and in the Senate to complete action on the appropriation bills by November 15, 1967.

The joint resolution, as reported to the Senate, is strictly a continuation of the continuing resolution enacted into law earlier this year. While the committee believes that every possible reduction in appropriations should be effected, it is the view of the committee that such reductions should be made in the appropriation bills and not by across-the-board reductions in a continuing resolution.

After 2 days of detailed testimony relating to the provisions contained in the resolution as referred to the Senate, the committee is convinced that across-the-board reductions go far beyond what is intended and are extremely difficult to interpret and apply.

During the deliberations of the committee, a number of proposals were offered to effect reductions in both expenditures and appropriations in fiscal 1968. One of these proposals was an amendment pro-



posed by Senator Karl Mundt, the effect of which was to reduce each appropriation in the bills as finally enacted by 5 percent, other than appropriations for military functions and items not subject to administrative control. The Director of the Bureau of the Budget advised the committee that appropriations in this category in the budget for fiscal year 1968 aggregate approximately \$38 billion. Therefore, the effect of the proposal offered by Senator Mundt would be an additional reduction of approximately \$1.9 billion in appropriations, which the Director of the Bureau of the Budget indicated would effect a reduction of approximately \$1 billion in expenditures in fiscal year 1968 and \$900 million in subsequent years.

The amendment offered by Senator Mundt in the committee (which lost on a 10-10 tie vote) and which will be offered on the floor of the Senate by Senator Mundt, provides that in order to provide for the most effective use of appropriations reduced, the President may make such transfers between appropriation accounts as may be necessary.

The amendment to be offered by Senator Mundt, which is applicable to the executive, legislative, and judicial branches, reads as follows:

At the end of the resolution insert:

"SEC. 2. (a) Subsequent to the enactment into law during the first session of the 90th Congress of the appropriation bills for fiscal year 1968, the executive branch is directed, subject to subsection (b), to reduce by at least 5 per centum each line item appropriation (other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control) contained in such bills.

"(b) In order to provide for the most effective use of appropriations reduced in accordance with subsection (a), the President may make such transfers between appropriation accounts as may be necessary, but no such transfer shall cause any item of appropriation to be increased to an amount in excess of the amount provided in the appropriation bill."



Calendar No. 656

90TH CONGRESS  
1ST SESSION

# H. J. RES. 888

[Report No. 672]

---

IN THE SENATE OF THE UNITED STATES

OCTOBER 19, 1967

Read twice and referred to the Committee on Appropriations

OCTOBER 20, 1967

Reported, under authority of the order of the Senate of March 16, 1967, by  
Mr. HAYDEN, with amendments

[Omit the part struck through and insert the part printed in italic]

---

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1968, and  
for other purposes.

1       *Resolved by the Senate and House of Representatives*  
2   *of the United States of America in Congress assembled,*  
3   That the joint resolution of October 5, 1967 (Public Law  
4   90-102) is hereby amended by striking out "October 23,  
5   1967" and inserting in lieu thereof "~~November 23, 1967~~"  
6   "*November 15, 1967*". and by adding the following lan-  
7   guage:

8       Provided further that for fiscal year 1968, unless hostil-  
9   ities in Viet Nam and Southeast Asia should cease earlier,  
10   Federal spending of appropriated funds except expenditures  
11   from trust funds by each Department and Agency of govern-



1 ment, including the Legislative and Judicial branches, except  
2 for military expenditures of the Department of Defense  
3 directly related to our involvement in Southeast Asia, includ-  
4 ing pay of all military personnel, the payment of interest  
5 on the National Debt, payments under the Social Security  
6 Act, veterans and other retirement benefits, medicare and  
7 old age assistance payments, shall not exceed the amount  
8 expended during fiscal year 1967, except that the limitation  
9 on the Department of Transportation shall not be more than  
10 95 per centum of the Budgeted amount for 1968. Provided  
11 further that where deemed necessary to maintain mail serv-  
12 ice, the President is authorized to exempt the Post Office  
13 Department from the provisions of this Act; and provided  
14 further, should the President deem it necessary for collection  
15 of revenue, he is authorized to exempt, to the extent neces-  
16 sary, the Internal Revenue and the Customs Services.

17       Provided further that such reduction of expenditures in-  
18 sofar as practical may be made by stretching out the time  
19 schedule of performance and payment on contracts so as not  
20 to require the elimination of new construction starts, and  
21 by each Department and Agency not filling vacancies.

22       “Provided further, that net aggregate administrative  
23 budget expenditures during the fiscal year ending June 30,  
24 1968 shall not exceed \$131,500,000,000, except by those  
25 expenditures in excess of \$22 billion that the President may

1 determine are necessary in behalf of our military effort in  
2 Southeast Asia.”

3 “Provided further, that appropriations made by Public  
4 Law 90-102, as amended, shall be available for activities  
5 budgeted under “Office of Economic Opportunity, Economic  
6 Opportunity Program” at a rate not in excess of that which  
7 would be provided for by an appropriation of \$1,200,000,000  
8 for the fiscal year ending June 30, 1968.

9 SEC. . Obligations during the period by section 4  
10 hereof for activities to be authorized by the Foreign Assist-  
11 ance Act of 1967 (S. 1872 or similar legislation) shall not  
12 exceed an annual rate of \$2,000,000,000 during the fiscal  
13 year ending June 30, 1968.

Passed the House of Representatives October 18, 1967.

Attest:

W. PAT JENNINGS,

*Clerk.*



[Report No. 672]

---

## **JOINT RESOLUTION**

---

Making continuing appropriations for the fiscal  
year 1968, and for other purposes.

---

OCTOBER 19, 1967

Read twice and referred to the Committee on  
Appropriations

OCTOBER 20, 1967

Reported with amendments







# DIGEST of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 24, 1967  
For actions of Oct. 23, 1967  
90th-1st; No. 170

### CONTENTS

Aging.....4	Electrification.....6,22	Military construction...26
Air pollution.....13	Employment.....16	Milk.....8
Appropriations.....1,10	Farm Bureau.....14	Poverty.....25
Budgeting.....5	Foreign trade.....7,11,27	Research.....13,18,21
Continuing	Forestry.....9	Ryukyu Islands.....3
appropriations.....1	Health.....4	Spending.....17
Cosponsors.....4	Holidays.....4	Transportation.....7
Credit.....23	Loans.....23	Urban-rural development.24
Disaster.....12	Marketing quotas.....19	Water pollution.....21
Economic development.....2	Meat inspection.....15	Wildlife.....20

HIGHLIGHTS; Senate debated continuing appropriations resolution. Senate committee reported measure for Balanced Economic Development Commission. House committee reported military milk program extension. House passed bill to facilitate exchange of forest lands for schools. Sen. Javits introduced and discussed bill to assist in urban and rural development.

### SENATE

1. APPROPRIATIONS. Began debate on H.J. Res. 888, to continue appropriations for agencies whose regular appropriation bills have not been enacted, and to limit appropriations in general for the fiscal year 1968 (pp. S15083, S15150-6). Sen. Mundt submitted and discussed an amendment which he intends to propose, to direct the executive branch, following enactment of the regular appropriation bills, to reduce by at least 5% each line item appropriation (other than appropriations for military functions and to permit the President, in order to provide for the most effective use of appropriations so reduced, to make such transfers between appropriations as may be necessary, but that no such transfer shall cause any item of appropriation to be more than the amount provided in the appropriation bill (p. S15150). Sen. Holland also submitted an amendment which he intends to propose, but it was not set forth (p. S15150).



Both Houses agreed to the conference report on H. R. 12474, the NASA appropriation bill. Senate conferees were appointed on an amendment in disagreement. pp. S15142, H13785-93

2. ECONOMIC DEVELOPMENT. The Government Operations Committee reported with amendments S. J. Res. 64, to establish a Commission on Balanced Economic Development (S. Rept. 675). p. S15084
3. RYUKYU ISLANDS. The Armed Services Committee reported with amendment H. R. 4903, to increase from \$12 million to \$25 million annually the authorization for development of the Ryukyu Islands (S. Rept. 674). p. S15084
4. COSPONSORS. were added for S. 1897, to amend the tariff on mink imports; S. 276, to provide for a National Community Senior Service Corps; S. 513, to establish regional and community health centers; S. 1217, to provide for uniform holidays; and S. J. Res. 117, to provide for a White House Conference on Aging. pp. S15085-6
5. BUDGETING. Sen. Proxmire commended the report of the President's Commission on Budget Concepts. pp. S15096-7
6. ELECTRIFICATION. Sen. Muskie inserted Sen. Metcalf's speech in support of the New England Dickey-Lincoln hydroelectric project. pp. S15106
7. TRANSPORTATION; FOREIGN TRADE. Sen. Spong inserted Secretary Boyd's speech on relation of transportation to world trade. pp. S15107-9

#### HOUSE

8. MILK. The Agriculture Committee reported without amendment H. R. 11161, to extend for 3 years the special milk program for the Armed Forces and veterans' hospitals (H. Rept. 806). p. H13839
9. FORESTRY. Passed as reported H. R. 10442, to provide for cash equalization of certain land exchanges proposed by public school authorities under law authorizing the exchange of national forest or other lands administered by the Forest Service. p. H14785
10. APPROPRIATIONS. Rep. Thompson, N.J., urged that the House "address ourselves to our duties and act without further delay on the pending appropriations bills," and inserted two editorials on this subject. pp. H13829-30
11. FOREIGN TRADE. Rep. Findley criticized a private company for importing a large amount of vegetable oil from the Soviet Union because "I am concerned for the safety of our men who daily face Soviet weapons and for soybean and cotton farmers who are gripped in the worst cost-price squeeze in years." p. H13808
12. DISASTER. Rep. de la Garza reported on the recent hurricane disaster in Tex. and commended the work of State, Federal, and private agencies in helping the people of this area. pp. H13813-6
13. AIR POLLUTION. Several Reps. spoke in favor of the proposed Air Quality Act of 1967. pp. H13825-8, H13838
14. FARM BUREAU. Rep. Resnick inserted an article, "Wealthy Farm Bureau is Large Owner of Property and Securities in Alabama," and stated, "After reading



Mr. BROOKE. I yield.

Mr. JAVITS. What does the Senator say about the congressional committees that do investigating and disclosing? Is any of his argument based upon the fact that we do have a House Un-American Activities Committee and a Senate Internal Security Subcommittee, which investigate and expose all the time?

Mr. BROOKE. Yes. I believe the distinguished senior Senator from New York has well brought out the point that we do have these committees on the House side and on the Senate side. Even these committees have investigators who make investigations and report events to them, which the Subversive Activities Control Board does not have, other than the FBI and the Department of Justice. I believe it is a duplication of effort.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment of the Senator from Massachusetts. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TYDINGS (when his name was called). On this vote I have a pair with the Senator from Rhode Island [Mr. PASTORE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the Senator from Michigan [Mr. HART]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

The legislative clerk resumed and concluded the call of the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. GRUENING], the Senator from Washington [Mr. JACKSON], the Senator from Oregon [Mr. MORSE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Arizona [Mr. HAYDEN] are absent on official business.

I also announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], and the Senator from Utah [Mr. MOSS] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING] would vote "yea."

On this vote, the Senator from Washington [Mr. JACKSON] is paired with the Senator from Oregon [Mr. MORSE]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Oregon would vote "yea."

Mr. DIRKSEN. I announce that the Senators from Kentucky [Mr. COOPER and Mr. MORTON], the Senator from Michigan [Mr. GRIFFIN], the Senator from Oregon [Mr. HATFIELD], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and

the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

If present and voting, the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "nay."

On this vote, the Senator from Oregon [Mr. HATFIELD] is paired with the Senator from South Carolina [Mr. THURMOND]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from South Carolina would vote "nay."

The result was announced—yeas 17, nays 58, as follows:

[No. 297 Leg.]

#### YEAS—17

Bartlett	Inouye	Mondale
Brewster	Javits	Nelson
Brooke	Kennedy, Mass.	Pell
Case	Kennedy, N.Y.	Proxmire
Church	McGee	Young, Ohio
Clark	Metcalf	

#### NAYS—58

Aiken	Fong	Pearson
Allott	Hansen	Percy
Anderson	Harris	Prouty
Baker	Hickenlooper	Randolph
Bayh	Hill	Ribicoff
Bennett	Holland	Russell
Bible	Hollings	Smathers
Boggs	Hruska	Smith
Byrd, Va.	Jordan, N.C.	Sparkman
Byrd, W. Va.	Jordan, Idaho	Spong
Cannon	Lausche	Stennis
Carlson	Long, Mo.	Symington
Cotton	Long, La.	Talmadge
Curtis	Magnuson	Tower
Dirksen	McClellan	Williams, N.J.
Dominick	McIntyre	Williams, Del.
Eastland	Monroney	Yarborough
Ellender	Montoya	Young, N. Dak.
Ervin	Mundt	
Fannin	Muskie	

#### NOT VOTING—25

Burdick	Hatfield	Morton
Cooper	Hayden	Moss
Dodd	Jackson	Murphy
Fulbright	Kuchel	Pastore
Gore	Mansfield	Scott
Griffin	McCarthy	Thurmond
Gruening	McGovern	Tydings
Hart	Miller	
Hartke	Morse	

So Mr. BROOKE's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PROXMIRE. Mr. President, I have three technical amendments which have been cleared with the distinguished author of the bill. I understand they are necessary to clear up the bill.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

On page 6, line 1, after "(a)" strike out "(I)" and insert "(1)"; at the beginning of line 8, strike out "(II)" and insert "(2)"; in line 14, after the word "part", strike out "(I)" and insert "(1)" in the same line after the word "part" where it appears the second time, strike out "(II)" and insert "(2)"; on page 12, after line 17, insert a new section, as follows:

"SEC. 12. Subsection (f) of section 4 of the Subversive Activities Control Act is amended by striking the last sentence of the subsection."

And on page 12, after the amendment just above stated insert a new section, as follows:

"SEC. 13. Subsection (3) of section 3 of the Subversive Activities Control Act is amended by striking '(a)' and by striking the whole of paragraph (b)."

The PRESIDING OFFICER. The question is on agreeing to the amend-

ments of the Senator from Wisconsin [Mr. PROXMIRE]. [Putting the question.]

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the Clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." Therefore, I withdraw my vote.

Mr. MONDALE (after having voted in the negative). On this vote I have a live pair with the senior Senator from Rhode Island [Mr. PASTORE]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withdraw my vote.

Mr. YARBOROUGH (after having voted in the affirmative). On this vote I have a live pair with the Senator from Michigan [Mr. HART]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. GRUENING], the Senator from Washington [Mr. JACKSON], the Senator from Oregon [Mr. MORSE], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I also announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], and the Senator from Utah [Mr. MOSS] are necessarily absent.

I further announce that, if present and voting, the Senator from Washington [Mr. JACKSON], would vote "yea."

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from North Dakota would vote "yea," and the Senator from Alaska would vote "nay."

Mr. DIRKSEN. I announce that the Senators from Kentucky [Mr. COOPER and Mr. MORTON], the Senator from Michigan [Mr. GRIFFIN], the Senator from Oregon [Mr. HATFIELD], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.



If present and voting, the Senator from Michigan [Mr. GRIFFIN], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

On this vote, the Senator from South Carolina [Mr. THURMOND] is paired with the Senator from Oregon [Mr. HATFIELD]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas 65, nays 10, as follows:

[No. 298 Leg.]

YEAS—65

Aiken	Hansen	Pearson
Allott	Harris	Pell
Anderson	Hayden	Percy
Baker	Hickenlooper	Prouty
Bayh	Hill	Proxmire
Bennett	Holland	Randolph
Bible	Hollings	Ribicoff
Boggs	Hruska	Russell
Brewster	Inouye	Smathers
Byrd, Va.	Jordan, N.C.	Smith
Byrd, W. Va.	Jordan, Idaho	Sparkman
Cannon	Lausche	Spong
Carlson	Long, La.	Stennis
Cotton	Magnuson	Symington
Curtis	McClellan	Talmadge
Dirksen	McIntyre	Tower
Dominick	Metcalf	Tydings
Eastland	Monroney	Williams, N.J.
Ellender	Montoya	Williams, Del.
Ervin	Mundt	Young, N. Dak.
Fannin	Muskie	Young, Ohio
Fong	Nelson	

NAYS—10

Bartlett	Clark	Long, Mo.
Brooke	Javits	McGee
Case	Kennedy, Mass.	
Church	Kennedy, N.Y.	

NOT VOTING—25

Burdick	Hatfield	Morton
Cooper	Jackson	Moss
Dodd	Kuchel	Murphy
Fulbright	Mansfield	Pastore
Gore	McCarthy	Scott
Griffin	McGovern	Thurmond
Gruening	Miller	Yarborough
Hart	Mondale	
Hartke	Morse	

So the bill (S. 2171) was passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. BYRD of West Virginia. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

#### CONTINUING APPROPRIATIONS, 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 656, House Joint Resolution 888.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. House Joint Resolution 888 making continuing appropriations for fiscal year 1968, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no further votes tonight, but I under-

stand that the distinguished Senator from South Dakota [Mr. MUNDT] intends to offer an amendment. The chairman of the committee will make some remarks at the conclusion of the morning business tomorrow.

I believe that the Senator from New York [Mr. JAVITS] also intends to make some remarks this afternoon.

Mr. JAVITS. Yes. I hope it will suit the convenience of the majority leader. It would help me greatly if I could follow the Senator from South Dakota.

Mr. MANSFIELD. It is up to the Chair. Mr. MUNDT obtained the floor.

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

#### AMENDMENT NO. 418

Mr. HOLLAND. Mr. President, I submit an amendment to the pending bill, and ask unanimous consent that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

#### AMENDMENT NO. 419

Mr. MUNDT. Mr. President, at this point, I submit an amendment and ask that it be read and printed in the RECORD in full.

The PRESIDING OFFICER. The Chair advises the Senator that the committee amendments must be agreed to first.

Mr. MUNDT. Mr. President, I am not calling up my amendment. I merely ask that it be printed in full in the RECORD.

The PRESIDING OFFICER. The Senator from South Dakota may proceed.

The amendment of the Senator from South Dakota is as follows:

In lieu of the matter proposed to be stricken by the Committee amendment on page 1, line 6, beginning with the word "and", insert the following:

"SEC. 2. (a) Subsequent to the enactment into law during the first session of the Ninetieth Congress of the appropriation bills for fiscal year 1968, the executive branch is directed, subject to subsection (b), to reduce by at least 5 per centum each line item appropriation (other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control) contained in such bills.

"(b) In order to provide for the most effective use of appropriations reduced in accordance with subsection (a), the President may make such transfers between appropriation accounts as may be necessary, but no such transfer shall cause any item of appropriation to be increased to an amount in excess of the amount provided in the appropriation bill."

Mr. MUNDT. Mr. President, the decision before the Senate on the continuing resolution is, in my opinion, one of the most important and far-reaching decisions which Senators will be called upon to make during the remainder of this session.

As I view it, there are three possible choices before the Senate. It can take the action as reported from the committee the other day with four dissenting votes, which is a simple continuing resolution, suggesting a delayed date for making renewed consideration of the appropriation bills possible.

At this point, by the way, Mr. Presi-

dent, I would ask that the pages in attendance in the Senate place on the desk of each Senator, the legislation, printed amendments, and the hearings, because I think they should be made available for study over night.

Mr. President, if we were to take only the committee action, in my opinion, we would be guilty of engaging in a sharp repudiation and rejection not only of the House of Representatives which sent the bill to us with a vote of 253 to 143—an even majority of 110 votes—but also of the House Appropriations Committee itself which labored long and hard and came up with a formula for economizing.

The particular formula brought out by the House committee was amended, changed, tightened, and expanded by amendments adopted by the House of Representatives voting as a whole.

But if the Senate were simply to say, "We are disinclined to do anything about effectuating some economies now"; if we were to pass this simple Senate continuing resolution, in my opinion we would be doing nothing more than making a blunt rejection and a rebuke both of the action of the House as a whole and the action of the House Committee on Appropriations. I doubt very much that there are very many Senators who want to participate in that kind of repudiation of the House efforts to economize at this juncture in our fiscal history.

I expect to show, in the course of my remarks today and tomorrow, some reasons why I think that would be the height of irresponsibility on the part of the Senate of the United States.

The second alternative is to adopt the House action as a substitute for the committee's continuation resolution. I understand that the Senator from Delaware at least has contemplated making that particular proposal. I think there were good and valid reasons why the Senate committee action did not take the House action in the form in which it came to us, because, in the first place, it was a House floor amendment which had not been considered at all in the hearings of the House Appropriations Committee and its exact ramifications are not clearly evident. It involved some areas of economy which it is doubtful whether the House Members themselves desired to be implemented and, as we held hearings before the Senate Appropriations Committee, it was brought out that certain House actions would need to be corrected and changed in the national interest.

So if we were to adopt the House action without modification or alteration or amendments, we would be freezing without change that particular action on appropriations which I do not think is a prudent way to proceed in this area under the circumstances as brought out in the Senate hearings, copies of which I hope are now being distributed to the desks of Senators.

The third alternative, Mr. President, is to adopt the amendment which I have sent to the desk, which I believe is a prudent and proper compromise by Congress that will put in conference all the alternatives before the two bodies in terms of bringing about some meaningful economies in public spending. It will recognize the merit of House action—by



a majority over 100 Members—in trying to effectuate some economies; it will support that purpose; and it will leave to action by the conference the precise procedures to be followed in approaching that objective.

I fully grant that there may be a fourth, or fifth, or sixth alternative in the form of amendments, of which I know nothing, but, at all events, our choice is significant and clear. In my opinion we should take some purposeful, constructive action now and equivocate no longer. Either we reject the economy drive of the House forthwith, if we accept the Senate committee's simple continuing resolution; or we accept that which they have done unquestioningly and assume the responsibility for all the ramifications flowing from a proposal which had not been subjected to hearings, and on which we had no testimony, and which, as was indicated in our hearings, would have results which I doubt many Members of the Congress would want to endorse; or we can accept my amendment or some other course which would be a meaningful demonstration of the desire of the Members of the Senate to do something effective about economy.

I speak in behalf of my amendment because it seems to me this gives us the tools required to build some economy into the current budget situation. The House has already spoken. Wisely or unwisely, the House has said it thinks there should be some reduction in expenditures. The House committee said it by an overwhelming vote, after it studied the matter. The House itself said, "This is good, but it does not go far enough," and added some cuts. But at least the House has demonstrated to the country that it wants some economy in Government and it wants it now. It is not willing to postpone action, in the middle of October, until the middle of November, or to postpone facing this issue. It has said, "We will dodge it no longer. We will duck it no longer. We will delay it no longer. We will face up to the emergency financial situation which prevails."

My plea to the Senate is that we be equally diligent in refusing to dodge, duck, and delay this most important consideration which must be made, and the most important issue which must be met. The Senate has to accept its responsibility, along with the House and the administration, for doing something meaningful about public spending, which has gotten out of hand.

My amendment assures the President and the executive departments that the Congress is willing to cooperate with them in reducing the current expenditures and the budgetary figures. The Senate will use these tools, we say to the President, to work with him at the workbench of economy, trying to do something together to bring about a reduction in expenditures.

If there are those in this body, and if there are, they are very few in number, or if there are those in the executive departments, and I hope they are also limited in number, who do not want to have any economies effectuated at all, who want to rely entirely on the prospect of higher and higher and higher taxes and costlier and costlier and costlier in-

flation to solve our problems, to them I submit my amendment has no appeal.

Or to those who say, "We think we should economize, but we did not do it last month when we had it before us and we gave a continuing resolution, and we do not want to do it now, so we should defer it until the 15th of November, and we will not want to do it then because the final supplementary measure will not have passed the Senate," and who will not want to do it when we finally pass the final supplementary measure at midnight or 2 o'clock in the morning before we adjourn—to those who want to kill the economy drive by delaying action on it or confusing or obscuring the issue, my amendment will have no appeal.

Finally, to those who do not want to either raise taxes or economize or take a look at whether or not this rich country can really afford to have bread and cake and guns all at the same time in this war—to them my amendment will have no appeal.

But to all others, I submit that this amendment proposes an honest, effective, across-the-board, objective formula for practical economy. It is a fair and a workable formula for breaking the logjam which the Nation knows now confronts the Congress and the country.

Mr. President, we all know what the logjam is. It has been a great buckpassing carnival. The Congress, the House, the Senate, the Ways and Means Committee, the Finance Committee—everybody says, on the congressional side, "Mr. President, you ought to economize. Tell us where you are going to effectuate some economies and engage in some cutbacks. We will not even continue hearings on taxes, as the Ways and Means Committee of the House has voted and announced, until you tell us when and where and how much you are going to economize."

The President passes the buck back to the Congress and says, "You tell me what I ought to do. You are the appropriations body. You are the tax-raising body. You make the cuts."

Congress rejoins, "We have to know the dimensions of the cloth before we can tailor the suit. We have to know just how much economy has to be made. Mr. President, you act first."

So what happens? We continue to spend. I do not think the taxpayer is too much enhanced or enchanted by this buckpassing game. I propose to bring it to an end. I propose to break the logjam. I propose to tell the President, "We want some economy. We would like at least a 5-percent reduction. We would like to have it across the board, but we recognize that in terms of competent management we cannot always horizontally wisely reduce expenditures.

"So you have the right to deviate from that a little bit. You have a right to cut some areas more than others. But the amendment provides you have no right to use any of the money to increase expenditures in any area. Your economies, your changes, your flexibility move downward only, in terms of expenditures."

Mr. President, I think it is important that this body go on record for some definite steps in terms of economy, for

some specific suggestions for taking these pious speeches we all have been making for 90 days or 6 months, and doing something to give real meaning to them. I think it is time, sir, to either fish or cut bait. If we are going to fish, we shall have to say where and we shall have to say how, and we shall have to produce practical, specific, meaningful evidence of our good intentions.

So I submit that this is a good faith amendment. It is not, of course, a perfect amendment. We toyed around with different ideas. It was originally thought that perhaps we would give flexibility to the administration only to the extent of 3 percent, that we would make this a minimum 2-percent cut, right across the board, of all the controllable expenditures, and let the President move around with the 3 percent as his area of flexible determination.

There is some merit to that. I doubt that there is an agency of the Government that could not afford to save 2 pennies out of every dollar it receives. I doubt that there is a single one that could not buy a few less paper clips, turn the lights out a little earlier, do away with some overtime pay, reduce the payroll by an individual or two, or find some other way to save 2 cents out of a dollar. However, I was disappointed in the committee, where my amendment lost on a tie vote of 10 to 10.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. Was that a different amendment, or this amendment?

Mr. MUNDT. For all intents and purposes, this one. We left one paragraph flexible, for the staff to fill in.

Mr. HOLLAND. It was my recollection that the Senator was calling for a \$3 billion cut.

Mr. MUNDT. No; the Senator is mistaken. This was the amendment in connection with which we decided to let the clerks write in substitute language for the phrase "locked in expenditures." They have now substituted a more meaningful phrase. It applies to controllable expenditures.

There was some suggestion also that perhaps the President is going to try to abuse Congress, that maybe he is going to vent some partisan spleen on the country; that if we do not put any limit on it, perhaps he will cut too much out of one area, and not enough out of another.

He can, of course, do that. I intend to show, from the record, that he can do it anyway. We already have written that in the law.

But, speaking as one fairly partisan Republican, Mr. President, I wish to submit to the President of the United States a good-faith proposal, relying on him to do the right and proper and effective thing. We will rely on him to make those cuts, without any minimum or maximum limitation, but in conformity with the legislative history of the bill and the language of the amendment.

Let us assume the worst, that the President will say, "Well, Congress has insisted that I economize. All right, fellows, I will give it to you hard, where you do not want it," and he will try to



make the economy cuts as distasteful and as malicious as he can.

He could do a pretty good job of it, Mr. President, one time. But we are not going to abolish Congress. We are not going to eliminate the Appropriations Committees of the House and of the Senate. So we have the power. We have the tools. We have the weapons; and if he should do such a thing, we would also then have the motivation to stop that kind of capricious playing around with the public interest. He could never engage in such a punitive practice again.

I do not believe the President will do it now. I am willing to trust him that far. I want to give him a good-faith proposition, and say, "Look, let's work together and break this log jam. We have suggested how much be cut, we have suggested the areas, we have spelled out the agencies and bureaus over which you and we can control expenditures. We have suggested the procedure, across the board. You go ahead and use your good judgment. If there are areas which should not be cut at all, cut some others a little more, and come up with the aggregate 5-percent reduction."

I think we ought to pay a little attention, Mr. President, to another factor which has not been considered very carefully by Congress, and that is the exact status of the Federal budget.

The question of the amount of the deficit for 1968 is a matter that has received considerable attention recently. I wish to review briefly the various estimates used by the administration.

If we look at the President's budget that was submitted in January, we find an administrative budget deficit of \$8.1 billion—"if," said the President, "Congress enacts legislation providing for an additional \$5.5 billion in revenue."

That was the benchmark from which we started. That was the first ante. That was the beginning of the game. You will find it in the budgetary message last January.

In August there were some changes. The President revised his estimates and told us in August that we will have an administrative budget deficit of \$14 billion, provided Congress enacts legislation providing for an additional \$7.4 billion in revenue.

Stated differently, he was telling us we have a deficit of \$21.4 billion, which could be reduced with a request for a \$7.4 billion tax bill, provided Congress enacts such a tax bill.

Time marches on. They revised it again last week. Mr. Schultze, the Director of the Budget, referred to a possible deficit of \$26 billion. You will find it in the record of the hearings on your desk—and I interpolate to suggest that every Senator read those hearings. They are brief. Senators who have not had the benefit of rapid reading courses can read them in 45 minutes or an hour. If you have taken the course, you can read them in about 20 minutes, I suppose. The record is very compact, very concise, very thorough, and very significant.

In those hearings, the Director of the Budget said that we are now facing a probable deficit of \$26 billion, which allows for an increase of \$4 billion in ex-

penditures for the war in Southeast Asia, and assumes that Congress does not enact an increase in taxes.

So, Mr. President, the record is pretty clear. In voting on the amendment I have proposed, Senators should bear in mind that we are facing a deficit of \$26 billion, which will be the largest since fiscal years 1943, 1944, and 1945, the peak years of World War II, when the deficits ran about \$54 billion a year. The figures I have recited should be enough to convey to every Senator the realization that a slowdown in appropriations is in order. We are not legislating in normal fiscal times.

But even these figures do not give the complete picture. I call attention to table 10, entitled "Balances of Obligational Authority," found on page 51 of the President's budget. It will be noted that with respect to the administrative budget, it is estimated that at the beginning of the current fiscal year, there will be an obligated but unexpended total of \$75.3 billion.

At this point, I remind the Senate that those are firm obligations, made pursuant to appropriations, that will not result in expenditures during fiscal year 1968.

Now, let us take a look at the estimate of the obligated totals at the end of fiscal year 1968. We find that item listed as \$83.2 billion—or another increase of \$7.9 billion. Mr. President, these are the Government's figures. These are the updated items. These are the bills that will have to be paid by the Government. There is no way, unless we rescind something or reduce something, that we can curtail that tremendous \$83.2 billion figure. My amendment at least starts us on a constructive and corrective course.

When these obligations are considered, while it is clear that on an expenditure basis the Government will operate in the red during fiscal year 1968 to the tune of only \$26 billion—which is more than three times the estimate we were given last January for fiscal year 1968—the new total deficits are substantially higher. Surely, the least we can do now, in the Senate this week, is to call a halt to these sharp increases in expenditures, and to adopt an amendment to start retrenching on some of the expenditures which we are still able to control. That, after all, is the purpose of what we are endeavoring to do in this area, in consideration of my amendment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. The Senator from South Dakota was present and heard the very able remarks of the Director of the Budget throughout our hearings several days ago, as I recall.

Mr. MUNDT. I was present. I heard it all.

Mr. HOLLAND. The Senator remembers, does he not, that the Director of the Budget agreed that the passage of the six annual appropriation bills which have already been passed in Congress reduce the President's budget by \$2 billion?

Mr. MUNDT. Yes, I do. The Senator is anticipating part of my speech, but he may go ahead.

Mr. HOLLAND. The Senator recalls, does he not, that in estimating the reductions in the President's budget on the nine remaining bills which have not yet been acted upon by both Houses of Congress and have not gone to the President, the Director of the Budget estimated that the additional reduction would be about \$2.5 billion, making a total reduction of \$4.5 billion from the President's budget.

Mr. MUNDT. I think the Senator has hiked the ante from \$2 billion to \$2.5 billion. I am not sure the Senator can charge that estimate to the Director of the Budget. I think it can be charged to the discussion had around the table among the Senators who are going to have to say something about it. It was said that we hope to effectuate another \$2 billion savings. The Senator is correct.

Mr. HOLLAND. I hope the distinguished Senator will look at the record. If he does, he will find that the Director of the Budget testified that in his judgment the additional cuts would be sufficient to bring the total reduction in the President's budget up to \$4.5 billion. And I insisted that I thought it would be nearer to \$5 billion. Does the Senator recall that?

Mr. MUNDT. I recall the colloquy. As I say, I do not think the Director of the Budget is the world's best authority on what Congress will do. The Senator from Florida is much more competent to judge that than is the Director of the Budget.

Mr. HOLLAND. At any rate, the Director of the Budget did, if the Senator will check the record, state that in his opinion the President's budget would be reduced by a total of \$4.5 billion when all the appropriation bills of this session are finally passed upon.

Mr. MUNDT. I think I heard that figure booted about. He said he thought it would be \$4 billion, but certainly \$4.5 billion would be a pleasant surprise and a gratifying result to me.

Mr. HOLLAND. The distinguished Senator realizes that even after we pass the appropriation bills, and even if we reduce the President's budget by \$4.5 billion—and it is my feeling that it will be nearer \$5 billion than \$4.5 billion—if Congress should agree to the amendment of the Senator from South Dakota, there would be a mandate to the President to cut 5 percent on all items—reading from the parenthesis—other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control.

Mr. MUNDT. The Senator is correct.

Mr. HOLLAND. The distinguished Senator then feels that even after Congress has done its best, and even though we may reduce the President's budget by \$4.5 billion, and the Director of the Budget thought that was the better figure—or \$5 billion—as I think is probably the better figure—we should still, notwithstanding that very heavy cut, direct the President to cut all line items, except those few that are excepted, by 5 percent.

Mr. MUNDT. Subject to the transferability authority.



Mr. HOLLAND. But the total amount to be cut will amount to 5 percent on all line items other than those which are excepted.

Mr. MUNDT. The Senator is correct, and the Senator from South Dakota believes and would hope that it would amount to a substantial cut in addition, between \$1.5 billion and \$2 billion.

If the Senator from Florida is correct in his very optimistic prediction that we will save \$3 billion more, to make a total of \$5 billion, then we would have to do it by the use of items against which the 5 percent also works. So, my amendment would then produce less savings.

If we follow tradition and do not quite live up to expectations, my amendment would effect a little greater savings. If we achieve the cut which I think we should make, we would reduce the total then by an amount of between \$6 billion and \$7 billion, which is what the administration is now trying to raise by a 10-percent tax imposed on the taxpayers of America. It almost hits the figure on the nose.

Mr. HOLLAND. Under the wording of the Senator's amendment, is it not true that within the amount to be cut would be included 5 percent of all appropriations for the Veterans' Administration, except those for retirement and pensions and disability payments?

Mr. MUNDT. No; it is not true that it would take 5 percent off the Veterans' Administration for the reason I gave earlier, that we leave to the President's discretion in terms of efficient management, the right not to cut any particular function or agency which in his opinion on the basis of facts supplied by the Bureau of the Budget and by the record itself, he finds to be undesirable to cut. So, if the Veterans' Administration, in his judgment, needs the money appropriated, my amendment would have no impact on that.

Mr. HOLLAND. The Senator has said that the 5 percent of all items for the Veterans' Administration, other than retirement, pensions, and disability benefits—

Mr. MUNDT. Other than all non-controllable items.

Mr. HOLLAND. Would have to be cut either off the Veterans' Administration appropriation or off some other appropriation.

Mr. MUNDT. That is a horse of an entirely different paint job. That being a Government function, if the President should figure they need all that is appropriated, they would get it. However, if the President does not happen to like the Veterans, he could cut the amount by 20 percent. But he will not do it. He will take the money from areas where the cuts can be better made in the public interest. If the veterans need every dime appropriated, they will get it under my amendment.

Mr. HOLLAND. Is the Senator suggesting that 20 percent might easily be cut from certain appropriations less acceptable to the general public and to the Congress than is the Veterans' Administration appropriation?

Mr. MUNDT. I have voted for some substantial reductions in appropriations

already made, and I believe the Senator from Florida has, too. And the RECORD will show, by our votes, that we must have felt that some meaningful cuts could be made in the appropriations already passed.

Mr. HOLLAND. The Senator must understand that in addition to the cuts voted for by him and by Congress—

Mr. MUNDT. I am talking about the cuts which failed.

Mr. HOLLAND. And many have been heavy cuts, the President would be directed by the amendment of the Senator to cut an additional 5 percent with the exception of the matters listed in the Senator's amendment.

Mr. MUNDT. The Senator runs out of breath before he gets the sentence completed. It is with the exception of the items in parentheses and with the exception of the transferability authority which enables the President to keep them at the same figure. He cannot increase them.

I recall that the Senator from Florida voted with me on cuts in some appropriation bills which did not prevail. We succeeded in getting some. However, we did not prevail on others.

I would hope that the President, in looking over those items would make some sharp cuts in those areas where a substantial number of Senators felt there should be cuts. I would put it up to him. This is a good-faith amendment.

We are trusting him to make the proper and the necessary cuts.

Mr. HOLLAND. Does the distinguished Senator feel that the adoption of his amendment would indicate that Congress has more confidence in the President's judgment than it has in the judgment of a majority of Congress?

Mr. MUNDT. I do not think that. I think it simply recognizes the facts of life, that since we passed on appropriation bills, some of them several months ago, the financial situation has gotten tighter, the war has gotten more costly, the problems involving a tax increase have gotten more complicated, the fires of inflation are substantially hotter and we are taking a second look at conditions, as we should do now, and not 60 days from now or 90 days from now.

Mr. HOLLAND. The Senator knows that we have a right to take an additional look from this time forth at the nine appropriation bills that have not yet been passed, does he not?

Mr. MUNDT. For the nine that have not been passed; that is correct.

Mr. HOLLAND. If the Senator has more confidence in what the President will do after we have taken that look and after we have acted, in the light of our view that economies should prevail, he has more confidence in the President than he has in the righteousness of what Congress will do, has he not?

Mr. MUNDT. No. Because I have this much confidence in the President, I do not want the Senator from Florida to put me in the spot of implying I have complete confidence in everything the President does. I believe it manifestly unfair to give to a selected number of government activities, on whose appropriations we may already have acted,

the right to continue at that level, and to effectuate all our economies in those that come later in the priority list. I do not believe it is fair or right or essentially effective.

Mr. HOLLAND. If that is the philosophy of the distinguished Senator, why does he not confine his amendment to the six bills which have already passed?

Mr. MUNDT. Because I want this to apply equally to all the bills. This is something which I believe we can reduce. It is true that since we have nine bills still to consider, members of the Committee on Appropriations may well reflect upon that as they arrive at the final figures. But I am convinced that few, if any, items in those bills which remain should not be subjected to the same type of scrutiny.

I believe it would be salutary in this country for every activity of Government to stop expanding for awhile and start examining the costs and the consideration of the taxpayer, and I am attempting to express this in an amendment.

Mr. HOLLAND. So far as the Senator from Florida is concerned, that is one thing the Senator from South Dakota has said with which I can agree. The action of the Senator from Florida in the handling of his bill on the agricultural appropriations would so indicate, because it has been passed at a figure decidedly less than that in the Presidential budget. That attitude of the Senator from Florida is also being reflected, bill by bill, in the matters which are now being passed upon by conference.

But my question was this: If the Senator is trying to aim his action at the six bills already passed, why does he not say so in the amendment, rather than to discourage conferees on the nine remaining bills, and Senators and Representatives who are considering them, from making what they regard as maximum cuts on those bills?

Mr. MUNDT. I would hope that it would be a matter of encouragement, not discouragement, because they would have before them the mandate of Congress that it was highly interested in making some significant economy. The Senator from Florida can guess and I can guess. I do not know how our colleagues will react and neither does he. But I believe it would be encouraging to know that we have expressed this determination to have belt tightening all across the board except in those areas where the President finds it would be detrimental to the public interest. To that extent, certainly, I have confidence in the President.

Mr. HOLLAND. The Senator from Florida believes that the result in passing on the nine appropriation bills yet to be passed, the result upon the conferees, and the result upon individual Members of the House of Representatives and of the Senate would be disappointing and would be unfavorable and would not lead toward the economy which the Senator so ardently desires; because both Houses would be advised—if the Senator's amendment were adopted and the resolution as adopted were passed—that however much they



cut each item, it was still going to be cut an additional 5 percent, or at least was subject to being cut an additional 5 percent.

Mr. MUNDT. In response to the Senator from Florida, I say that I respect his right to speculate as to how our colleagues will react to anything we do, as he, of course, must respect mine, because neither of us has a diploma as a crystal-ball gazer. We must guess.

On the basis of what has happened so far in our conference committees in reaction to the House, it would be my conviction that if we take this action, it will have a salutary effect in inducing, in the nine remaining bills and the conferences which remain, a new energy displayed toward economy. Even the action that the House has taken so far in resubmitting bills and passing resolutions of this nature has resulted, as the Senator knows, in some of the conferences which we jointly attend, in the House remaining adamant on positions of economy which have been greater than those we have taken on the Senate side.

I agree with the Senator that we have made some major successful efforts—not adequate to meet the conditions of the time—to reduce the President's budget. Otherwise, we would not have saved the \$2 billion we already have saved.

Mr. HOLLAND. Mr. President, the Senator from Florida has heard of legislative actions to indicate no confidence, but it was always no confidence in somebody else. But the amendment of the distinguished Senator from South Dakota appears to the Senator from Florida to be an invitation to the Senate to vote no confidence in itself, in its own actions, in the actions of the other body, and in the final actions of Congress. The Senator from Florida admits that he has not seen any such proposal ever made during his service in the Senate—more than 21 years—because, in truth and in fact, this is an admission in the RECORD that those voting for this amendment believe that Congress will not have done its duty toward economy and that, on the contrary, after they have done what they may regard as their duty, it believes that the President should cut an additional 5 percent.

It seems to the Senator from Florida that the amendment is very unfortunate, and it would be very unfortunate for it to be attached to the resolution.

Mr. MUNDT. This may reveal the difference of opinion which we have, because the Senator from South Dakota is not satisfied with the economy effort made thus far by Congress. If the Senator from Florida is, so be it; he should then oppose this amendment. If he believes we have done the best we could do or should do, he should oppose it. I do not believe we have. Under the circumstances as they confront us at this late date in October, I believe we should take another look and do some further economizing.

I believe we should set up a formula under which we can meet the problems of our times fiscally. I am unhappy with what we have done. If the Senator is happy with the situation, I can understand why he would say we should not

make any change. This is not the first time we have done this. We did it in 1951 and at other times. We have passed legislation of this nature whereby we tighten our belt as we meet new conditions.

Some of the appropriation bills about which the Senator from Florida is talking were passed several months ago. Our financial conditions have vastly changed, and they have changed for the worse. Perhaps the Senator from Florida is not receiving mail from people concerned about inflation. I am. About the threat of high taxes. I am. About the fact that they, at least, are not satisfied with the job we have done up to date. And they say, "Cut it some more." I believe we should. This is one device to do it.

Mr. HOLLAND. The Senator from Florida believes that if in Congress we are successful in reducing the President's budget by \$5 billion—and that is what he is working toward—we will have done a splendid job, the like of which has not been done at least in 21 years; and he would not want to put in the RECORD a confession that that is not a good job and that we want an additional 5 percent struck from all line items except a very few.

The Senator from Florida could not support this amendment because it seems to him that it is quite simply an expression of no confidence in Congress, and I do not feel that way about Congress as a whole, or about the Senate or the House of Representatives. We all know that economy must prevail.

He thinks that if we do cut the budget by \$5 billion, which is what we are shooting toward, we will have done a good job which would entitle us to the commendation of the entire public.

I thank the Senator for yielding to me.

Mr. MUNDT. The difference between the point of view of the Senator from Florida and me seems to be primarily how much we should cut. We know we have cut \$2 billion and I hope we can cut \$2 billion more. The Senator from Florida first thought the figure should be \$2.5 billion and now he thinks it should be \$3 billion more. That is fine. I shall help him try to do it. I think it is still inadequate. The House of Representatives thinks it is inadequate. They proposed \$7 or \$8 billion and it was carried by a 110-vote majority in a roll-call vote. The other body is a little closer to the feeling of the people in connection with the economy than the Senate is.

In all events I appreciate the suggestion of the Senator from Florida. We discussed this matter on the same basis while in committee. All I can do is point out a formula which I think will save more money if it can be agreed to.

Mr. President, inasmuch as the Senator is in the Chamber who asked me how long I was going to be, and I had told him I would be finished by 5 o'clock, I think I should hurry along so that he will not be inconvenienced. However, if there is something more which my friend, the Senator from Florida, wishes to say I yield to him.

Mr. HOLLAND. I direct the attention of the Senator to page 46 of the printed record of hearings, 10 lines from the bottom, where Mr. Schultze stated:

My own judgment would be, on a conservative basis, that it looks as if Congress will have reduced appropriations by \$4.5 billion. I may be a little too conservative, a little too optimistic, but somewhere in that ball park.

Does the Senator from South Dakota find that quotation?

Mr. MUNDT. Yes. Mr. Schultze said, "somewhere in that ball park"; any place between \$4 and \$5 billion. I submit that he is not the best authority on that. He participates in no congressional debates, and he does not vote on appropriations. He is looking through a knothole in the fence of the ball park and making a speculation, but he is not and cannot be an authority in the field of speculating on future congressional actions. That is not his field of authority or expertise.

Mr. HOLLAND. We called him to testify because we wanted his advice.

Mr. MUNDT. The Senator is correct.

Mr. HOLLAND. I remember that the Senator from South Dakota was eager to have him testify and to have his views.

Mr. MUNDT. I was more interested in those areas in which he has expertise than where he has to look through the knothole in the fence to see the ball park. He has no way at all to know. Any one of our youngest Senators knows more about the actions in the Senate than somebody at the other end of the avenue just called to testify. He made a pretty adroit answer: He said he was being maybe a little too conservative, and maybe a little too optimistic. How can he be wrong?

Mr. HOLLAND. He told us about the \$2 billion which we agreed on. Then, he suggested \$2.5 billion more would be cut and he stated that was a conservative estimate.

Then, later on, in respect to my statement, I said, on page 62:

My own feeling is that these reductions will probably be more than that; between four and a half and five billion. Are you predicting your estimate upon possible cuts in these different fields? Foreign aid, independent offices, space, military construction, anti-poverty, and State, Justice, and Judiciary?

Mr. Schultze said, "Yes."

I was trying to make sure we were looking at the same picture. I wanted to call the attention of my distinguished friend very definitely to the fact that the two figures that were mentioned were \$4.5 billion and \$5 billion, rather than \$4 billion, which he mentioned.

Mr. MUNDT. In justice to the Director, we should quote him precisely. He said:

I may be a little too conservative, a little too optimistic, but somewhere in that ball park.

He left the matter open at both ends. That is why I say he was adroit and could not miss. He protected himself on both ends.

Mr. HOLLAND. Of course, the Director is proceeding not only on what he saw in the two bills, but on the basis of his knowledge of the difference in the House bill and the Senate bill in the six fields mentioned by me, which is what he said he was looking at. The Senator from Florida and the Senator from South Dakota are conferees on most of those additional bills.



Mr. MUNDT. The big bill is foreign aid, which I have not been estimating.

Mr. HOLLAND. It is my estimate we have a better chance to make a \$5 billion cut and that is what my sights are on at this time.

Mr. MUNDT. I will help the Senator in every way I can to achieve the total \$5 billion goal, which however, I believe is still inadequate. My proposal would give us \$6 billion in total congressional savings which I think we should make, and that is what the President asks we provide in a new 10-percent surtax bill.

Mr. President, I ask unanimous consent to have printed in the RECORD a fact sheet concerning the Mundt amendment, indicating precisely what it does. I have set out estimated savings and how the figures go up or down.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

#### FACT SHEET: THE MUNDT AMENDMENT

1. Senator Karl Mundt will offer the following amendment to House Joint Resolution 888, a Resolution to continue the authority of the existing Continuing Resolution, providing obligational authority to those departments and agencies of the Government for which appropriation bills have not been enacted:

At the end of the Resolution, insert:

"Sec. 2. (a) Subsequent to the enactment into law during the first session of the 90th Congress of the appropriation bills for fiscal year 1968, the executive branch is directed, subject to subsection (b), to reduce by at least 5 per centum each line item appropriation (other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control) contained in such bills.

"(b) In order to provide for the most effective use of appropriations reduced in accordance with subsection (a), the President may make such transfers between appropriation accounts as may be necessary, but no such transfer shall cause any item of appropriation to be increased to an amount in excess of the amount provided in the appropriation bill."

2. House-passed version of H.J. Res. 888: As it passed the House of Representatives, this Resolution—

a. Provided for a 30-day extension of the authority granted in the existing Continuing Resolution;

b. Provides for various limitations on fiscal year 1968 expenditures which the Bureau of the Budget estimates will total approximately \$7 billion in reductions in 1968 expenditures.

c. Imposes new maximum level of obligations under the Continuing Resolution with respect to the programs of the Agency for International Development and Office of Economic Opportunity.

3. H.J. Res. 888, as reported: Recommendations—

a. An extension of the existing Continuing Resolution authority to November 15, 1967; and

b. Deletion of those provisions in the House-passed Resolution limiting fiscal 1968 expenditures and imposing new levels of maximum obligations with respect to the Agency for International Development and Office of Economic Opportunity.

#### 4. The Mundt Amendment:

a. *Applicability:* Appropriations for all departments and agencies of the Government—the Executive, Legislative, and Judicial Branches.

b. *Effect:* Imposes a reduction of 5 per centum in each appropriation made for fiscal

year 1968, including appropriations in those bills already enacted and those to be enacted with the following two exceptions:

(1) Funds appropriated to the Department of Defense for *Military Functions*; and

(2) Those items determined by the Director of the Bureau of the Budget not to be subject to administrative control.

c. *Implementation:* Subsection (b) of the amendment authorizes the President to make transfers between appropriations as may be necessary to effect the 5% reductions, but provides that no appropriation can be increased over the enacted amount as the result of such transfers.

d. *Estimated savings:* The requests in the President's budget for appropriations (new obligational authority) for fiscal year 1968 total \$145.2 billion. The Director of the Bureau of the Budget advised the Committee on Appropriations of the Senate that approximately \$38 billion of this total was subject to administrative control. This total excludes appropriations of approximately \$74.6 billion to the Department of Defense for *Military Functions* and \$32.6 million for programs and activities that are not subject to administrative control, such as interest on the national debt, postal operations, veterans' benefits, and certain agricultural programs. When the proposed 5% reduction is applied to these controllable programs, which total \$38 billion, a reduction of \$1.9 billion results. However, it must be recognized that the Congress has already made some reductions in funds requested for these programs, and further reductions will be made in those appropriations included in the bills that have not been enacted. When these specific reductions are considered, it is likely that the Mundt amendment will result in further reductions of \$1.6 to \$1.7 billion in appropriations. It is estimated that such a reduction in appropriations will result in a reduction of from \$700 million to \$1 billion in expenditures, with the balance of the reduction to follow in later years.

5. *Precedent:* The Mundt amendment is in the nature of a general reduction in appropriations—not a limitation on expenditures. It is patterned after the following provision that was included in the General Appropriation Act, 1951 (Public Law 759, 81st Congress):

"SEC. 1214. Appropriations, reappropriations, contract authorizations, and reauthorizations made by this Act for departments and agencies in the executive branch of the Government shall, without impairing national defense, be reduced in the amount of not less than \$550,000,000 through the apportionment procedure provided for in section 1211 of this Act."

6. *Not an "item" veto:* The proposed Mundt amendment does not grant to the President any authority that can be termed an "item" veto. The amendment does grant to the President the authority to make transfers between appropriations, to the extent necessary, to efficiently accomplish the 5% reductions required under the proposed Mundt amendment. It should be remembered that under existing statutory authority the President, through the apportionment process, can refuse to obligate funds provided by the Congress.

This authority is to be found in P.L. 759—81st Congress, General Appropriations Act of 1951.

Mr. MUNDT. I wish to point out further that we have had Congresses before which have faced up to this problem. They have not been too much concerned about whether they were criticizing themselves, the administration, or each other; but we have passed Economy Acts and rescission bills. I think this is a very serious problem. I do not think that a \$5 billion cut from inflated estimates when

there is a \$26 billion deficit is anything to go home and brag about. I think we should do more. I think the White House should still do more if we cut this by \$6 billion. If the President gets his tax bill through and raises \$6 billion, that is \$12 billion, at a time when we have a large national debt and a deficit which is creating certain signs of very dangerous inflation. I hope that beyond such cuts the President can slow down certain expenditures so we can begin to get the budget under control. We have more to consider than the personal feelings of each other on these problems. We must respond to the fiscal problems of our country and we must face up to them. I shall have more to say on this matter tomorrow when we come to the consideration of the amendment.

I join the Senator from Florida in hoping that Senators read the hearings which appear on pages 49 through 73, which incorporate what the Senator from Florida has said. Before that we had listened for almost 2 days to the Budget Director saying that it cannot be cut this way, that way, and so on. I said, "Mr. Budget Director, let us think ahead. This is a real problem." I told him I wanted him to say whether he thought it was a real problem or was not. The Senators will find that he did. It will be found in the hearings. We have his statements about it. I submit it is something we should consider carefully. If someone can present a better system for reducing the budget, so be it. I shall consider it and support it, but I want to get the problem understood and I believe we should take prudent and effective action now.

I was distressed by an editorial which appeared in the St. Louis Globe-Democrat under date of October 16, 1967. It said some pretty unkind things about the Senate and it said some pretty nice things about the House of Representatives. It said that the House of Representatives was facing up to the problem and that they were trying to do something about it over there, but that the Senate was thinking of one reason, one alibi, or another, for doing nothing. I hope before the Senate adjourns we do something. I have no pride in authorship in my amendment but it is an important step in the right direction.

I would welcome the support of the Senator from Florida to come up with a savings of \$7 billion or any additional amount, or 8 percent instead of 5 percent, but I want to get started in the right direction. This is the most effective and reasonable way that I know. This is a good-faith approach. If any Senator has a better one, let him produce it. But by all means let us not settle now for doing nothing.

Mr. President, I ask unanimous consent that the editorial to which I have referred may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

In view of its recent irresponsible behavior in approving money bills calling for even greater expenditures than President Johnson's excessive budget requests, the United States Senate has lost a great deal of prestige in the eyes of Americans who ex-



pected far better from the highest legislative body in the country.

There appears an air of unreality in the Senate. Its members show no sign that the nation faces a \$29 billion deficit from President Johnson's out-of-control budget.

In its latest action the Senate approved a \$4.77 billion public works bill (better known as the "pork barrel" bill) that tops the House-passed version by \$1.53 billion.

The Senate has tacked on \$1.57 billion to the already huge \$4.95 billion agriculture money bill approved by the House. In recent days its members also have added \$198 million to the anti-poverty bill, seeking \$2.25 billion for this fiscal year, and have passed a space budget in excess of \$4 billion that also topped the House version.

The House by contrast, is taking a stand against the President's drive to railroad through virtually all of his \$143 billion budget.

Refusal of the Senate to cooperate in the House budget-cutting efforts has tipped the balance in Mr. Johnson's favor, encouraging him to turn the screws on House members by freezing all government spending for rivers and harbors projects, military housing and other programs, rather than prune the budget.

Unless members of the Senate quit playing politics with the people's money, the near chaotic standoff between the House and the President can be expected to continue, greatly damaging the nation's economy and undermining confidence in Congress.

Members of both parties in the Senate should shake off this political stupor before the present impasse inflicts much greater harm to those they supposedly represent.

#### THE DOMESTIC DEVELOPMENT BANK AND THE ECONOMIC OPPORTUNITY CORPORATION

Mr. JAVITS. Mr. President, I am sorry that events have kept us to this late hour. I had hoped not to keep my colleagues so late on this matter, but I believe the bills I am introducing today are critically important to relieve the situation facing the whole war on poverty as to require some elucidation to Senators.

The PRESIDING OFFICER. Without objection, the bills will be received and appropriately referred.

Mr. JAVITS. Mr. President, I ask unanimous consent that the text of the bills may be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, I introduce, for myself and Senators ALLOTT, BOGGS, BROOKE, CARLSON, CASE, COOPER, DOMINICK, GRIFFIN, HATFIELD, JORDAN of Idaho, KUCHEL, MURPHY, PEARSON, PERCY, PROUTY, SCOTT, TOWER, and YOUNG of North Dakota, a bill to establish a Domestic Development Bank to assist in the development of employment and business opportunities in certain urban and rural areas.

The second bill would amend the Economic Opportunity Act of 1964 to charter an Economic Opportunity Corporation to encourage the participation of private enterprise in the effort to rebuild urban slums and eliminate poverty in the United States.

There are 22 sponsors of this bill, which I introduce for myself and Senators AIKEN, ALLOTT, BAKER, BOGGS, BROOKE, CARLSON, CASE, COOPER, DOMI-

NICK, GRIFFIN, HATFIELD, JORDAN of Idaho, KUCHEL, MUNDT, MURPHY, PEARSON, PERCY, PROUTY, SCOTT, TOWER, and YOUNG of North Dakota.

Now, Mr. President, it is well known that for many years I have urged the concept upon the minority of suggesting and recommending feasible alternatives. This is certainly one of the most important of those efforts which have been made and it is offered in the greatest spirit of cooperation and in the hope that it may appeal to enough members of the majority to make it law. But I think it is so important that a large body of members of my party have gathered to sponsor a very major effort in the poverty field as to very richly justify putting it forward as an alternative which was offered at this time solely by the minority.

It is most instructive, on one of these bills, that 22 Republican Senators commit themselves to an affirmative and most constructive antipoverty program, thereby, I think, answering decisively any doubts about whether the great body of Republicans will really enlist in this fight. I think it is, in that respect, extremely constructive and extremely important.

#### 1. THE NEED FOR A NEW STRATEGY

For several decades, the phenomenon of urbanization has been the dominant domestic trend in this country—a trend far outrunning our ability to comprehend it and deal with it. Urbanization has proliferated the big city slum, the slum which over the past summer repeatedly gave birth to riot and tragic destruction of life and property.

But the crisis of the core city is also a crisis for rural America, whose people are taking flight to the cities as farm manpower needs diminish. No program or effort which seeks to resolve the problems of the city slum can stand alone—rural migration needs to be halted or at least slowed and the economy of rural America brought back into equilibrium.

The legislation which my Republican colleagues and I are offering today seeks to deal with two related problems which are fundamental to the substance of rural and urban poverty. This legislation is aimed primarily at resolving the problems of unemployment in both these areas and at raising the level of business activity owned and managed by local people in order that they may build an economic stake in the community.

But our strategy in this legislation is somewhat different from that which has dominated Federal programs to date. For in these bills, primary reliance is placed upon the forces of private enterprise with Government fund and resources being used essentially as levers to move those private forces into paths that will alleviate conditions of poverty and solve social problems.

A great many people, both citizens and politicians, are restless and impatient with the present antipoverty and welfare programs. Very few of these people would, I think, disagree with the goals of the war on poverty. Rather, they are concerned that these goals are not being reached and that we are not breaking the cycle of poverty and de-

pendency. To some extent, such criticisms are premature, for the antipoverty programs are of only very recent origin and have been continually plagued by congressional delays in funding and by inadequate appropriations. Nevertheless, there are grounds to doubt the adequacy of the antipoverty effort, and too many of our programs are mere band-aids or palliatives which comfort the victim but offer him no cure for his condition. The bills I present today are designed to break this cycle, to advance beyond the band-aid approach.

These bills seek to tap the resources of what can be our greatest ally in the war on poverty—the private sector. Government by itself simply cannot marshal the funds nor the talent to solve this problem. But when used in conjunction with and to stimulate private efforts, Government funds can have a multiplier effect and hence a far greater impact.

Let me be perfectly clear on one point: As of now, with our present approaches, we are not winning the war on poverty and we may in fact be losing it. The gap between rich and poor is growing in this country. The unemployment rates in many rural and poverty areas are going up. It is no longer simply a matter of pious statement that it would be nice if private enterprise came to our aid in this struggle. Private enterprise should enter this struggle and Government must see to it that it does. Unless Government funds are used to this end and with this multiplier effect, results will not be forthcoming which are needed to sustain public support for the antipoverty program.

The legislation which I propose today would create two new vehicles, a Domestic Development Bank and an Economic Opportunity Corporation, to encourage and facilitate the participation of private enterprise in urban and rural antipoverty efforts. Each of these bills draws upon the experience of successful international institutions which are engaged in economic development and antipoverty activities abroad. I wish to emphasize that neither of these programs would replace the Office of Economic Opportunity or the present antipoverty program, but they would add a new dimension to it. With a greater involvement of private money and talent, Government would have a partner in the war on poverty and may find it possible to expand its own efforts more modestly.

I have received the important suggestions of a number of my Republican colleagues—suggestions which have been incorporated in these bills. Moreover, this legislation had had a great deal of study and analysis involving business, labor, foundation executives, professors, and economists. I first introduced a bill to establish an Economic Opportunity Corporation in June 1966, and these two bills being introduced today are refinements of that original measure.

#### II. THE DOMESTIC DEVELOPMENT BANK

First. The heart of the problem—unemployment and lack of business opportunity. The problems of unemployment and lack of business opportunity are the touchstones of this legislation.







# **DIGEST** of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 25, 1967  
For actions of Oct. 24, 1967  
90th-1st; No. 171

### CONTENTS

Advertising.....14	Farm Bureau.....13	Poverty.....19
Agricultural	Food aid.....6	Public works.....8
appropriations.....29	Foreign affairs.....28	Recreation.....3
Air pollution.....4,10,17	Forest highways.....30	Research.....8,27
Appropriations...1,8,29,30	Hide imports.....7	Rice.....14
Bridges.....28	Housing.....12	Rural development.....5
Budgeting.....18	Lands.....26	Ryukyu Islands.....2
CCC.....8	Livestock feed.....23	Spending.....16,21
Cropland adjustment.....11	Marketing quotas.....24	Tariff.....22
Continuing	Meat inspection.....9	Taxation.....16
appropriations.....1,8	Military construction...8	Textiles.....25
Disaster relief.....23	Mining claims.....31	Tobacco.....24
Economy.....15,20	Pollution.....4,10,17,27	Water pollution.....17,27
Export trade.....22	Potatoes.....14	

HIGHLIGHTS: Senate debated continuing appropriations resolution. House Rules Committee cleared meat inspection bill. Sen. Yarborough introduced and discussed bill to feed livestock in disaster areas.

### SENATE

1. APPROPRIATIONS. Continued debate on H. J. Res. 888, the continuing appropriations resolution (pp. S15170, S15212-23, S15229-36). Agreed to the committee amendment to change the expiration date from Nov. 23 to Nov. 15 (pp. S15212-15, S15222-3, S15229).

Debated the Mundt amendment to direct the executive branch following enactment of the regular appropriation bills, to reduce by at least 5% each line item appropriation (other than appropriations for military functions and those determined by the Budget Director not to be subject to administrative control), and to permit the President, in order to provide for the most effective use of appropriations so reduced, to make such transfers between



appropriations as may be necessary, but that no such transfer shall cause any item of appropriation to be more than the amount provided in the appropriation bill. pp. S15229-35

Debated an amendment by Sen. Williams, Del., (to the Mundt amendment) to provide that net aggregate administrative budget expenditures during the fiscal year 1968 shall not exceed \$131,500,000,000, except by those Department of Defense expenditures beyond \$72,300,000,000 for military purposes that the President may determine are necessary; and to provide that, not later than 10 days after Congress adjourns, estimated administrative budget expenditures for the fiscal year 1968 shall be reduced, through apportionments, by \$5 billion (the difference between currently anticipated administrative budget expenditures for 1968 of \$136,500,000,000 and \$131,500,000,000); and that obligational authority in an amount equal to the \$5 billion reduction in expenditures shall no longer remain available, and such sum shall be covered into the Treasury. pp. S15234-5

Sen Allott submitted an amendment which he intends to propose (p. S15170) Sen. Williams, Del., spoke on "the chaotic financial situation" (pp. S15215-22). Agreed to limit debate on the Williams amendment to 30 minutes, the Mundt amendment to 1 hour, all other amendments and motions to 30 minutes each, and the bill to 2 hours (pp. S15235-6).

Both Houses agreed to the conference report on H. R. 9960, the independent offices and HUD appropriation bill. Senate conferees were appointed for a further conference on amendments still in disagreement. pp. H13851-80, S15236, S15241-2, S15236, S15241-2

Sen. Tydings said the conferees on the Labor-HEW appropriation bill should insist on Beltsville as the site for a Food and Drug laboratory. p. S16235

2. RYUKYU ISLANDS. Passed as reported H. R. 4903, to increase from \$12 million to \$17½ million (as amended) the annual authorization for development of the Ryukyu Islands. p. S15166
3. RECREATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 1321, to establish the North Cascades Park and Ross Recreation Area, Wash. p. D948
4. AIR POLLUTION. Sen. Javits inserted a report by the Republican Coordinating Committee recommending an air-pollution program. pp. S15176-8
5. RURAL DEVELOPMENT. Sen. McGovern inserted the Vice President's speech to the Future Farmers of America on rural development. pp. S15188-9
6. FOOD AID. Sen. McGovern commended "an air-gram to our AID missions around the world, signaling increased food-for-peace assistance." pp. S15190-1
7. HIDE IMPORTS. Sen. Hruska criticized the import quota on cattle hides, saying there was no shortage and prices have fallen. pp. S15203-4

#### HOUSE

8. APPROPRIATIONS. Received the conference reports on H. R. 11641, the public works appropriation bill (H. Rept. 820)(pp. H13843-50), and H. R. 10345, the Departments of State Justice, and Commerce, the judiciary, and related agencies appropriation bill (H. Rept. 821). pp. H13842-3

Conferees were appointed on H. R. 12474, the NASA appropriation bill. Senate conferees have been appointed. p. H13880



It's a different kind of war in Vietnam. Many of the enemy are not in uniform; it's difficult to distinguish a Vietcong from a native. Henry Cabot Lodge, who has spent years as our official representative in Vietnam, considers the highly trained "guerrilla terrorist"—they number about 150,000—in the various villages to be the "real cancer."

We are trying to ferret them out with fire power and napalm. We can't be certain whether a non-uniformed Vietnamese is a Vietcong, so we hurl our napalm; we burn a village; we defoliate the fields. We trust we are *cremating* a Vietcong—only to discover to our dismay that we *created* a Vietcong! If the native's loved ones are hurt, his home destroyed, his livelihood shattered,—why not join the force that is fighting back against this massive power that is claiming to liberate him?!

IV. *At this moment we are at an impasse.* We will not cease bombing until there is a sign from the other side of a willingness to negotiate. The other side indicates it will give no sign until we stop bombing.

It was *The Saturday Evening Post* that asked Secretary-General U Thant to take steps to bring about a negotiated settlement, and he declared immediately "the first step would be for the U.S. to stop bombing North Vietnam, not for a brief 'pause' but permanently and unconditionally."

But the Administration has ignored this, and President Johnson has said just this week that he is satisfied with our present policy. "It's worth the price".

The President has on several occasions questioned the loyalty of those who oppose him, referring to them as "nervous Nellies." We have reason to be nervous. I would change the term, however. Not "nervous Nellies" but "Concerned Christians." Concerned over the increasing chorus of warning voices from Far-Eastern experts and other nations; concerned over the increasing momentum pushing toward an Abyss; concerned over policies that are uniting the Communist world while dividing the Free World; concerned over the ghastly cost in human life.

"Blessed are the peacemakers," said Jesus, "for they shall be called the children of God." Those who seek peace are not traitors. Those who desperately seek peace in an unfortunate spot in the world are subject to the "hard, clean question" in Jesus' powerful parable of the Last Judgment: What did you do for those in need? Yes, we have the needy right here in Evansville; but we have them in a special way in Vietnam.

Dare we answer the question—Have we, in Vietnam, created hunger by defoliating their crops? Have we made them sick and lonesome by killing children and civilians with napalm and bombing their villages?

There is an old word—a Biblical word dominating both Jewish and Christian scriptures. That word is "Repent!" And we had better not forget what it means! It means "Turn around;—begin again;—make a fresh start." It is never easy, and it is hardest of all for the nation. But God walks with us along a difficult and often discouraging road. God will sustain the nation if we invoke Him; God will judge us harshly if we continue to ignore His ways, and will "... hold us accountable for the horror we continue to unleash."

Many—far too many—young Americans have died in Vietnam. Let us work and pray that they shall not have died in vain. And they shall not if we are big enough as a nation to admit our mistakes and to know that there is more honor in self-correction than in "saving face."

V. *What are the alternatives?* One is to win the war as quickly as possible, escalate rapidly, and use nuclear warheads if necessary. The destruction and loss of life among the enemy would be immense, and we could conceivably ignite World War III.

Another alternative is to withdraw; "tuck

tail and run," as President Johnson has described it. But this is not feasible. It would imply that a weak nation had defeated a strong nation. It would imply that thousands of young American lives had been given in vain. It would be an open invitation to Communism to go elsewhere and do likewise.

If these are the only alternatives there seems to be no other course but to continue as we are. But suppose there is yet a third possibility—long and torturous, not easy, for history does not present us with easy choices? We can seek now for a negotiated peace. It is not withdrawing our forces and our voice. It is "remaining in strength" by withdrawing to key defensive points and halting our bombing in the North. It is "quieting the war." Let us wait for Ho Chi Minh to come to the conference table. It is sitting down with every combatant in the war; that includes the Vietcong. This is a policy stubbornly opposed by President Johnson.

It is amazing at times how some events happen "coincidentally." In July, I read the powerful book, *Vietnam: Crisis of Conscience*, and determined to preach a sermon on this critical subject on the first Sunday the student body had returned to the University of Evansville. Now—coincidentally—highly respected and influential religious leaders of Judaism, Protestantism, and Catholicism have, meanwhile, put out a clarion call for a million signatures of church people in America to a petition to be signed on a Sunday or Sabbath in September and forwarded to a convocation early in October of business, labor, civic, political, and religious leaders in Washington, D.C. This position will be handed to Senators, Representatives, and administration officials. The movement is known as "Negotiation Now." The petition supports U Thant and the United Nations in new negotiations, calls for the halting of our nation's bombing of North Vietnam and the taking of further initiative leading to truce. It asks that North Vietnam and the National Liberation Front respond affirmatively to our initiative leading to a standstill ceasefire. It asks that South Vietnam respect and join in these steps.

Peace without victory! Peace without further bloodshed and destruction! Putting an end to war—is there anything more Christian? Being mindful of the words of the late John F. Kennedy, speaking before the United Nations, "Mankind must put an end to war or war will put an end to mankind," let us Christians do something besides wringing our hands and murmuring "how awful." We can do something to assist the power and influence of the Church and Synagogue. We can be the body of Christ, even though we take our licks and are broken and bruised . . .

After a cross, that "body" may rise again, as it happened that first Easter!

#### THE UNIVERSITY OF RHODE ISLAND'S FIRST COMMERCIAL FISHERIES SCHOOL, OCTOBER 19, 1967

Mr. PELL. Mr. President, in two areas today the United States has fallen steadily in its world ranking. I am thinking particularly of offshore fisheries and the merchant marine.

I am happy to say that in Rhode Island, the University of Rhode Island at Kingston is host to a new program which should help to reverse the trend of national weakness in the field of fisheries. At URI a 2-year program has just been opened to train men for a life in commercial fishing.

Mr. President, I ask unanimous consent that an article entitled "URI Fisheries College Unique in Nation," published in the *Westerly, R.I., Sun* of October 4, 1967, be printed in the *Record*.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

#### URI FISHERIES COLLEGE UNIQUE IN NATION

Twenty-five young men have started classes in the first college curriculum of its kind in the country—a two-year program at the University of Rhode Island to train men for the commercial fisheries.

Members of the first class are mostly recent high school graduates, but include a few men in their 30's. The students come from as far away as Alaska, California and Puerto Rico, although most are from the northeastern states. Thirteen are from Rhode Island.

The curriculum combines classroom theory in subjects such as physics, marine technology, fishery hydrography and marketing, and sea-borne experience aboard a training vessel and trawlers at nearby Point Judith in subjects such as navigation and fishing gear. Graduates will receive an associate in science degree.

The curriculum has been designed to give the best possible education to potential captains and mates of the fishing fleet, and to individuals who wish to work in related marine industries such as processing and marketing.

Operated through a department of fisheries and marine technology in the University of Rhode Island's College of Agriculture, the program is headed by a 33-year-old British-born naval architect, Dr. John C. Sainsbury. He was chairman of the department of naval architecture and shipbuilding at the College of Fisheries in St. John's, Newfoundland, before coming to Rhode Island to direct the new program.

"Many of the students here come from a fishing background," Dr. Sainsbury said, "while others are from families with no history in the sea or fishing. They share without exception, however, an intense interest and belief in the commercial fisheries and its future, and are all entering wholeheartedly into what is a very time-consuming schedule for a university program."

The students must take six hours of classes and laboratories every weekday except Friday afternoon, in addition to studies that must be done on their own outside those hours.

A 47-foot former oceanographic research vessel, the *Gail Ann*, is being converted for fisheries training. When it is put back in the water, the students will alternate taking work trips at sea. They are also required to work aboard a variety of commercial fishing vessels during the summer after their first year.

A building at the former Photek plant in nearby West Kingston is being used for laboratories in seamanship, nets and fishing gear technology, navigation, vessel engineering and electronics until a new facility can be built in the Point Judith fishing port area.

Dr. Sainsbury said interest in the program is increasing and that inquiries are already being received from young people inside and outside the United States for the 40 places that will be available in the entering class next year.

Thirteen of the students in the first class are Rhode Islanders, including Paul S. Schauer of 10 West Beach Street, Westerly; Gary A. Brooks, Edward A. Conley and Marshall Rose of Block Island and Dennis W. Webster and Robert B. Westcott.

One of the two students from Connecticut is Bohdan Mutz of North Stonington.

#### CORRECTION OF THE RECORD

Mr. ALLOTT. Mr. President, I note on page S14370 of the *Record* for Friday, October 6, 1967, I am recorded as referring to hearings on the NASA appropri-



ations bill as having extended "over many years." The hearings to which I referred are those which were held this year and I ask to have the permanent RECORD corrected to read "over many months."

The PRESIDING OFFICER. The correction will be made.

### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

### CONTINUING APPROPRIATIONS, 1968

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 888) making appropriations for the fiscal year 1968, and for other purposes.

The Senate resumed the consideration of the joint resolution.

Mr. HAYDEN. Mr. President, House Joint Resolution 888, as reported to the Senate, provides continuing authority until November 15, 1967, rather than the date of November 23, 1967, as provided in the resolution as it passed the House.

This resolution is necessary to provide authority in those cases where the appropriation bills have not been enacted into law. As of today, six of the regular annual appropriation bills have been sent to the White House for signature. There are five appropriation bills in conference, or the conferences have been concluded but the conference reports have not been agreed to in both Houses.

There is one appropriation bill in the Senate Committee on Appropriations—the District of Columbia appropriation bill. The committee has been holding on this bill pending enactment into law of the new revenue act for the District. It is difficult to attempt to make decisions on how much should be appropriated until the committee has received firm estimates on the revenue for the District of Columbia.

One bill is on the House Calendar—the military construction appropriation bill.

The remaining two appropriation bills—the foreign assistance appropriation bill and the supplemental appropriation bill—are pending in the House Committee on Appropriations awaiting authorizing legislation—principally the poverty program in the case of the supplemental and, of course, the foreign assistance authorization in the other instance.

The committee has expressed the hope that action can be completed on all of these appropriation bills by November 15, in which event further amendment to the continuing resolution would be unnecessary.

The resolution, as referred to the Senate committee, contained several provisions

unrelated to a continuing resolution, which have been stricken by the committee. These provisions were designed to effect economies in Federal expenditures by blind, across-the-board reductions.

While the appropriations process may not be perfect, nevertheless, it has evolved over a period of many years and affords the most logical method of providing funds for Government operations.

The delay in the appropriation bills is undesirable. However, in most instances, this delay results from the fact that it is necessary, under the rules of the two bodies, for authorizing legislation to be enacted into law prior to making the appropriation.

All of the appropriation bills have been reported to the House by the House Committee on Appropriations except the foreign assistance appropriation bill and the supplemental appropriation bill. Since there is, as of today, still no foreign assistance authorization, it is not within the rules to report the bill. This is also true of the supplemental bill, especially in regard to the poverty program.

There is no better process that I know of than to have these appropriation bills considered by the committee in the House and then on the floor of the House; by the committee in the Senate and then on the floor of the Senate; and then to resolve any differences in conference.

General provisions designed to effect economies by blind, overall, across-the-board reductions are bound to be inequitable, inefficient, and it is impossible to access their results at the time they are being considered.

According to the Director of the Bureau of the Budget, in one agency alone—the Department of Health, Education, and Welfare—the provision adopted on the floor of the House of Representatives would result in an appropriation reduction of \$2½ billion. This figure was calculated by the Bureau of the Budget because the provision in the resolution would cut \$1.1 billion in expenditures in fiscal year 1968.

To reduce \$1.1 billion in expenditures in a single fiscal year would mean a much larger reduction in obligations, grants, or contracts, and it is estimated that to secure \$1.1 billion in expenditure reductions would require about \$2 to \$2½ billion reductions in obligations—a cut from \$2 to \$2½ billion—a cut ranging from 28 to 33 percent. I cannot believe that the House of Representatives was aware of this at the time the provision was voted.

The Department of Housing and Urban Development would be required to make a \$500 million expenditure reduction and such a reduction would require a very large proportionate cut in new contracts, mortgage purchases, sewer, water, and open space programs, and the like, because, again, to get a \$500 million expenditure reduction, one would have to make a much larger reduction in commitments and contracts.

For the farm programs under the Department of Agriculture, a \$400 million reduction in expenditures would be required.

The committee was also advised that many agencies would be required to in-

troduce reductions in force. These reductions would have to be concentrated in the last 7 months of the fiscal year because one-third of the fiscal year has expired. Severance pay and terminal leave would have to be taken into consideration, as well as 30 days' advance notice to affected employees—which would mean that in some agencies personnel to the extent of perhaps 20 percent would be removed from the payrolls.

I do not believe there was any such intention on the part of the House of Representatives in passing the resolution referred to.

The Director of the Bureau of the Budget estimated that the reductions in expenditures in fiscal year 1968, under the resolution as it passed the House, would amount to approximately \$7 billion.

I ask unanimous consent to include at this point in the RECORD a list of the agencies where the approximately \$7 billion will be found.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

*House Joint Resolution 888—Estimated reduction effected by resolution as passed House*

	1968 expenditures
Defense .....	\$2,500,000,000
Health, Education, and Welfare .....	1,100,000,000
Agriculture .....	400,000,000
Commerce .....	250,000,000
Housing and Urban Development .....	500,000,000
Public Works .....	40,000,000
Interior .....	150,000,000
Justice .....	45,000,000
Labor .....	20,000,000
State .....	10,000,000
Transportation .....	75,000,000
Agency for International Development .....	140,000,000
Atomic Energy Commission .....	120,000,000
General Services Administration .....	30,000,000
Office of Economic Opportunity .....	400,000,000
Veterans' Administration .....	180,000,000
Pay Raise .....	600,000,000
Small Business Administration .....	200,000,000
National Science Foundation .....	60,000,000
Total .....	6,821,000,000

Mr. HAYDEN. Mr. President, if it is necessary to reduce expenditures at this time, before the Congress adjourns, I recommend that the Committees on Appropriations of the two Houses undertake an examination of the bills which have been signed into law, and the bills which will be sent to the White House soon—and if the amounts are found to be excessive that a rescission bill be considered in the two Houses.

Any attempt to effect economies by a blind, across-the-board general provision is impracticable.

I urge that the committee amendments be agreed to.

The PRESIDING OFFICER. The first committee amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 5, after the word "thereof", strike out "November 23, 1967" and insert "November 15, 1967":



The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. The action of the Committee on Appropriations in reporting House Joint Resolution 888 as strictly a continuing resolution until November 15 represents a clear declaration that Congress, not the executive branch, still wields the power of the purse. The appropriations process is the tried and true method by which Congress exercises this power. This continuing resolution will enable all of the Federal Departments and agencies to pay their bills for the next three weeks. In the meantime, the Appropriations Committee will have an opportunity to consider deliberately each authorized program contained in the remaining appropriation bills. It will scrutinize each dollar contained in the budget estimates for those agencies. It will use to the fullest the collective experience and judgment of its members to cut out every ounce of fat, to scrap every nonessential. This is the way to effect savings, with rational, informed judgment.

The House-passed resolution, on the other hand, substitutes a meat ax for the finely honed scalpel, abdicates the traditional right and duty of the Congress to consider each and every appropriation request on its merits, deals a crippling blow to many vital Federal programs.

Why a crippling blow? On the surface, holding spending to the 1967 level, with certain exceptions, does not seem too bad. But let us look further. The effect of the House resolution is to cut about \$7 billion from 1968 spending. But since expenditures always lag behind appropriations, and since the fiscal year is already nearly one-third over, this \$7 billion cut in expenditures would mean a \$14 or \$15 billion reduction in obligations—the best measure of the level of Federal programs in a particular time period.

That is not all. As the Budget Director spelled out in detail for the Appropriations Committee, this \$14 or \$15 billion reduction must come largely from that relatively thin slice of the Federal budget which is not already locked in. When national defense, interest on the public debt, veterans' pensions, price support payments, and other obligations fixed by law are taken out, \$38 billion is left from which to cut. Taking \$14 or \$15 billion away from this \$38 billion amounts to cutting almost 40 percent from every single controllable program. The Budget Director listed 75 of these programs for us, and that was not a complete list. The list ran all the way from grants for educational activities to the Federal Bureau of Investigation.

The House-passed resolution would wreck many of our most vital programs.

It has wisely been rejected by the Senate Committee on Appropriations.

My very good friend, the distinguished Senator from South Dakota [Mr. MUNDT], has stated his intention to call up an amendment to the continuing resolution in the Senate today. His amendment would reduce, by 5 percent, every appropriation item not related to national defense, except for those determined by the Budget Director to be beyond administrative control. The amendment would also give the President blanket authority to transfer money around among the agencies so long as no line-item appropriation was increased above the amount provided in the Appropriation Act.

To be sure, the Mundt amendment is an improvement over the House-passed resolution. The Mundt amendment would cut about \$1 billion in expenditures in the fiscal year 1968 instead of \$7 billion, as would be provided by the House-passed resolution. But the real price of this \$1 billion in savings is very high. A vote for the Mundt amendment is a vote for the meat ax approach—even though the axe has a smaller blade; a vote for the principle that the President and the Budget Director—not Congress—should wield the power of the purse in the U.S. Government; a vote against the combined wisdom and judgment of the members of the Appropriations Committee. In effect, the amendment says, "No matter what recommendations you make to the Senate on appropriations bills, you are 5 percent wrong."

We cannot even foresee the impact of this amendment. The President is not allowed to increase any appropriation above the amount we include in the law, but he can surely reduce some of them by much more than 5 percent, by 10 percent, or even by 100 percent, if he so wishes.

For example: Suppose he determines that aviation safety activities cannot be cut without endangering airline passengers. He can take it out of the school lunch program instead; suppose he determines that the Internal Revenue Service and the Customs Bureau cannot be cut without losing a much greater amount of Federal revenues. He can take it out of impacted area school aid instead; suppose he determines that veterans' medical programs cannot be cut without decreasing the quality of patient care. He can take it out of the Corps of Engineers and the Bureau of Reclamation instead; suppose he determines that the Post Office cannot be cut without delaying the mail. He can take it out of the food stamp program or the FBI instead.

Can we really stand here today and say to the American people: "The Senate of the United States hereby declares that it wants no part in making these decisions—decisions affecting every citizen"? I do not think so. I feel that it is our responsibility to determine where the cuts should be made and that we should not, in the words of the distinguished senior Senator from Rhode Island [Mr. PASTORE], put the cat on the President's back.

And what does this amendment say to the members of the Committee on Appropriations? Does it say: "Now, you gentlemen are to go back and deliberate for the next 3 weeks on the remaining appropriations bills. You are to bring to bear the wisdom and informed judgment which you have acquired over the years. And when you're all done and have made a decision on each line item, you're to add 5 percent to every one, so that when it's taken back out again by the President, your judgment will be vindicated."

No one in this body is more interested in economy and efficiency in Government than I am. I have the utmost respect and sympathy for the sentiments which prompted this amendment. But I submit that the way to make savings in the budget is not to flail away with a meat ax—with results that no Senator in this body can even venture to predict. The way to save money is by using the tried and true appropriations process.

So, I hope that Senators will vote down this amendment, and any other similar amendments. Let us vote for a straight, clean, continuing resolution until November 15. During the next 3 weeks, let Congress work its will, let the Senate Appropriations Committee work its will on the remaining appropriation bills, saving every penny where we can justifiably and wisely save pennies.

Let it not be said that today, or tomorrow—whichever it may be—the Senate passed the buck, or that the Senate voted away its birthright—the cherished power of the purse.

Mr. ELLENDER. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. I yield.

Mr. ELLENDER. I wish to say that I am in thorough agreement with what the distinguished Senator from West Virginia has just said. I may add that this morning we were in conference on the public works bill and the Senate saw fit to cut back a little over 10 percent on all the projects by way of slippages. Now, to add another 5 percent, there is no doubt that the work now in progress on all the dams and rivers and harbors programs would suffer considerably.

I would much prefer leaving this in the hands of the Congress than to let somebody in the departments do the cutting. What that amounts to, in reality, is granting to the Executive the right to the item veto. Congress has always refused to grant this authority, and with very good reason. No other single act would transfer to the Executive so much additional power at one fell swoop.

The continuing resolution sent to the Senate by the House was very difficult of interpretation, to say the least. No one could predict what effect its provisions would have on the workings of our Government. In large part, this was because the difficult decisions were transferred from the legislative branch to the executive.

Another effect of the resolution was to wipe away all the work already performed by the Appropriations Committees of the House and Senate. In effect, its adoption would make unnecessary all of the work that must yet be done on the



bills still remaining. Perhaps others are willing to see this slate wiped clean so that the blanks can be filled in by the clerks of the executive branch. I, for one, am not.

The responsibility lies with the Congress and its committees. Reductions should be recommended by the committees on a selective basis, as has already been the case with every appropriations bill to pass the Congress this year. To attempt to lodge this responsibility anywhere else would be to allow and invite an infringement on the prerogative of Congress.

In my view, too much infringement of these prerogatives has already taken place.

Mr. BYRD of West Virginia. Mr. President, I thank the distinguished senior Senator from Louisiana for his very helpful statement. I want to congratulate him, as chairman of the Public Works Appropriations Subcommittee, for the very fine work he does, consistently, every year, year in and year out, scrutinizing most meticulously the budget requests and the requests submitted to his committee by Members of this body, the other body, and outside witnesses. He does a fine job, as do all the other members who work with him in that committee. He has done a fine job this year in the conference.

The PRESIDING OFFICER. The question is on the adoption of the first committee amendment.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes; and

H.R. 11627. An act to amend the act of June 16, 1948, to authorize the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain additional bridges and tunnels in the State of Maryland.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 11767) to authorize the Secretary of the Navy to adjust the legislative jurisdiction exercised by the United States over lands comprising the U.S. Naval Station, Long Beach, Calif.

#### HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes; to the Committee on Agriculture and Forestry; and

H.R. 11627. An act to amend the act of June 16, 1948, to authorize the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain additional bridges and tunnels in the State of Maryland; to the Committee on Public Works.

#### ADDRESS DELIVERED BY SENATOR BYRD OF WEST VIRGINIA AT DEDICATION OF LEETOWN, W. VA., FISH HATCHERY

Mr. BYRD of West Virginia. Mr. President, on last Saturday I delivered an address at the ceremony marking the opening of the Leetown, W. Va., Fish Hatchery.

I ask unanimous consent to have printed at this point in the RECORD my address on that occasion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY U.S. SENATOR ROBERT C. BYRD, AT THE LEETOWN FISH HATCHERY

My friends, it is always a pleasure to take part in the dedication of a new federal facility.

And this particular dedication gives me great pleasure because this complex of facilities is more than just a place where fish are hatched and reared.

Rather, it is a complex which represents the latest advances in the field of fish husbandry.

It combines well planned production facilities with an internationally respected research center.

But before I go into further detail about this particular center I should like to present a little bit of background about our national fish hatchery system and its importance.

Since its inception in the late 19th century our fish hatchery system has increased in numbers, in productive capacity and in the quality of fish grown.

Today there are some 100 federal fish hatcheries which are supplemented by about 500 state-run hatcheries.

There has been a greatly increased interest in all types of outdoor recreation during the years since World War II and fishing—along with all other outdoor sports—has burgeoned apace.

The recent National Survey of Fishing and Hunting gives us some indication of the size of this increase. It states that some 33 million Americans participated in these sports during 1965 and, in so doing, spent some \$4 billion.

Without the help of our federal and state hatcheries, mother nature would be hard pressed to meet the need for more and more fish.

As an example of the tremendous growth of sport fishing in recent years, let me cite as an example the experience of our own state of West Virginia.

West Virginia's waters are stocked with fish produced both naturally and from State and Federal Hatcheries. Almost 450,000 pounds of fish, mostly trout, were planted by state and federal officials.

About half of these fish—225,000 pounds—were produced right here at Leetown, at the Bowden Hatchery near Elkins, and at the White Sulphur Springs Hatchery in Greenbrier County.

And great though this volume of fish may seem, the federal allocation of fish for West Virginia waters is three times greater today than it was four years ago in 1963.

So, as one can see, these hatcheries play a tremendous role in keeping our state's anglers happy and their catches bountiful.

Now, I would like to tell you a little more about this particular hatchery. It is a fine one indeed.

If you look into the water in the raceways, you will be able to see a number of species of trout. And near where we are standing, there are a number of large ponds that produce other fish such as bass and sunfish.

These fish are grown in the newly constructed hatchery building. This structure incorporates all the latest developments in fish husbandry, and its staff is able to produce the highest quality fish under the most carefully controlled conditions.

The fish begin life as eggs, spawned in other hatcheries which maintain specially selected brood fish. These eggs are placed in special tanks until they hatch into tiny, helpless, near invisible, fry.

These small fish are then carefully nurtured. They are fed a nutritionally balanced diet, and when they are large enough to live outside, they are moved to one of the large raceways for further growth.

When they have reached a sufficient age and size best suited to survive in the wild, they are released into the state's streams and lakes.

From there, well, that's up to the anglers to determine—whether these fish become a fish dinner or, instead, perhaps the dinner of some other fish.

But the Leetown Hatchery does more than just to produce and rear fish. Its internationally known Eastern Fish Disease Laboratory has provided much of the information available to scientists on fish diseases.

Experts in the diagnosis and treatment of the illnesses that plague fish have been trained here for service throughout the U.S. and the world.

As an example of its work, last July the Bureau of Sport Fisheries and Wildlife proposed a new regulation designed to prevent the importation and spread of two particularly dangerous trout diseases. Although the initial responsibility for examining these fish will reside in the country of origin, we must have facilities and people to run spot checks to see that the regulation is enforced.

As a further example of its work, many states will soon enact regulations requiring inspection and certification of interstate transfers of fish or fish eggs. The Federal Government must be prepared to assist the Bureau in performing this vital function. Personnel here at Leetown will probably be called upon to play a major role in this regard.

Other activities are also carried on at the Laboratory. The Bureau of Sport Fisheries and Wildlife uses this hatchery as a base of operations for a number of its in-service training schools where Bureau employees, persons from state conservation agencies, and personnel of foreign governments can be trained in modern fish growing methods.

This is important because sport fishing in West Virginia and across the nation is not only fun; it is also big business. According to the National Fishing and Hunting Survey I mentioned earlier some \$4 billion was spent in the pursuit of these sports. This money generally goes to those areas where good fishing, or good hunting, is found.



In the days ahead, even more fishermen will be participating in this great outdoor pursuit, and, as their numbers increase, our waters must of necessity, be managed to provide the necessary fish.

I am sure that our National Hatchery system in general, and the Leetown Fish Hatchery in particular, will do their part to see that these demands are met.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Without objection, it is so ordered.

Mr. MUNDT. Mr. President, I call up my amendment which is at the desk, and I ask that it be read.

The PRESIDING OFFICER. The first committee amendment has not been agreed to yet.

Mr. WILLIAMS of Delaware. Mr. President—

Mr. HOLLAND. Mr. President, has the committee amendment been acted upon?

The PRESIDING OFFICER. It has not been acted upon.

Mr. HOLLAND. I know of no debate on the committee amendment that would change the date.

Mr. WILLIAMS of Delaware. I have

no objection to changing the date but I would like to make a brief statement first in connection with the entire problem.

The PRESIDING OFFICER. The Senator may proceed.

#### THE CHAOTIC FINANCIAL SITUATION OF THE UNITED STATES

Mr. WILLIAMS of Delaware. Mr. President, two major problems confront our country: First, the war in Vietnam; and, second, the mounting deficit and the resulting inflation, as evidenced by the rising cost of living and the highest interest rates since Reconstruction days in 1870.

So much has been said about the first problem, the war in Vietnam, by the various experts that I know of nothing I can add which would help the situation. I shall therefore pass over this subject with just one comment: With a half million men in the war zone, we have no choice except to back them with all our resources, and as one Member of the Senate, I shall continue to give them that support.

Today I shall confine my remarks to a discussion of the chaotic financial situation in which we find ourselves. I refer to our fiscal situation as being nearly chaotic because never before in the history of our country has there been so much confusion both at the executive and at the legislative levels as to what is happening or what should be done.

For the past several months, both the White House and Congress have been advocating a reduction in Government spending; but both the executive and the legislative branches have been approving new programs, expanding old ones, and voting for ever-increased expenditures. And yet no one has faced up to the prob-

lem of what this will mean in ultimate inflation and higher taxes.

First I shall review the spending record of the Senate.

Since January 1, 1967, the Senate has acted on 13 appropriation bills.

As passed by the House these appropriation bills call for total appropriations of \$134,881,670,839. As passed by the Senate these same bills contained appropriations totaling \$138,936,819,459, or an increase of \$4,055,148,620 over that originally approved by the House.

These same 13 appropriation bills contained appropriations of \$3,175,648,998 over the amount allowed for the same agencies in fiscal 1967.

During the consideration of these bills 21 efforts were made to reduce these appropriations. Every effort to reduce them was defeated on rollcall votes in the Senate.

Had these 21 efforts been successful they would have resulted in lowering the overall appropriations under these 30 bills by \$4,467,177,919.

It is true that some items had been reduced by the Senate committee before reporting the bills to the Senate, but it is ironic to note that the only amendments to any of these appropriation bills which were approved by the Senate were amendments which added to the cost of the bills.

At this point I ask unanimous consent that there be printed in the RECORD a chart of these appropriation bills along with the amount of each as it passed the House, the amount as it passed the Senate, and the corresponding increases or decreases as compared to the 1967 appropriations.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

#### 1968 APPROPRIATIONS

Date	Bill	Amount in House	Amount in Senate	Senate increase (+) or decrease (—) over House	Amount 1967 appropriation, increase (+) or decrease (—)
Mar. 17	H.R. 7123, supplemental Defense	\$12,196,520,000	\$12,275,870,000	+\$79,350,000	
May 19	H.R. 7501, Treasury, Post Office, Executive Office	7,499,230,000	7,555,167,000	+\$55,937,000	+\$459,108,865
May 16	H.R. 9029, Interior	1,365,310,150	1,399,242,050	+\$33,931,900	+\$66,083,250
May 17	H.R. 9481, 2d supplemental	2,041,826,133	2,260,246,933	+\$218,420,800	
Aug. 29	H.R. 9960, Independent Offices and HUD	9,985,878,782	10,431,460,900	+\$445,582,118	+\$880,461,600
	(Part. cert.)	881,000,000	3,235,000,000	+\$2,354,000,000	+\$1,555,000,000
Aug. 1	H.R. 10196, Labor and HEW	13,137,488,000	13,409,835,000	+\$272,347,000	+\$393,270,800
Sept. 26	H.R. 10345, State, Justice, Commerce	2,194,026,500	2,185,870,500	-\$8,156,000	-\$52,782,300
	(Part. cert.)	150,000,000	150,000,000		-\$700,000,000
June 29	H.R. 10368, Legislative branch	228,089,952	273,662,404	+\$45,572,452	+\$3,159,461
July 11	H.R. 10509, Agriculture	\$3,370,580,950	\$3,797,673,400	+\$427,092,450	+\$332,101,950
	(Part. sales)	800,000,000	700,000,000	-\$100,000,000	+\$100,000,000
Aug. 4	H.R. 10738, Defense	70,295,200,000	70,156,420,000	-\$138,780,000	-\$73,202,000
Sept. 28	H.R. 11456, Transportation	1,530,198,372	1,651,407,272	+\$121,208,900	-\$69,910,228
Sept. 28	H.R. 11641, Public works and Atomic Energy	4,622,922,000	4,776,064,000	+\$153,142,000	+\$465,893,000
Oct. 3	H.R. 12474, NASA	4,583,400,000	4,678,900,000	+\$95,500,000	-\$289,100,000
Total		134,881,670,839	138,936,819,459	+\$4,055,148,620	+\$3,175,648,998

<sup>1</sup> Restoration of capital by CCC not included.

Mr. WILLIAMS of Delaware. Mr. President, following this, I ask unanimous consent that there be printed a statistical breakdown of the numerous amend-

ments, including dates, vote numbers, and so forth, which dealt with efforts to reduce the amount of these appropriations. This list does not include amend-

ments offered to authorization bills.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:



## RECORD VOTES ON REDUCTIONS IN 1968 APPROPRIATIONS

	Vote No.	Date, 1967	Vote	Amount of reduction or increase		Vote No.	Date, 1967	Vote	Amount of reduction or increase
H.R. 10509, Agriculture (Williams), limit subsidy payments to \$10,000.....	129	July 13	14-76	\$329,174,519	H.R. 9960, independent offices and HUD (committee), increase model cities funds.....	194	Sept. 20	62-28	\$300,000,000
H.R. 10509, Agriculture (Williams), reduce from \$220,000,000 to \$120,000,000 new ACP authority..	130	..do...	10-82	100,000,000	H.R. 9960, independent offices and HUD (Harris), increase funds for National Science Foundation...	197	..do...	63-25	46,000,000
H.R. 10196, Labor-HEW (Williams motion), recommend bill to reduce 5 percent.....	144	Aug. 2	19-64	675,000,000	H.R. 9960, independent offices and HUD (committee), increase authorization for sale of HUD part. cert....	198	Sept. 21	57-30	1,804,000,000
H.R. 10738, Defense (Kennedy, Massachusetts), reduce from \$482,000 to \$200,000 rifle practice funds.....	170	Aug. 22	23-67	228,000	H.R. 9960, independent offices and HUD (committee), increase funds for HUD part. cert. insufficiencies..	199	..do...	54-32	19,115,000
H.R. 9960, independent offices and HUD (Young, Ohio), reduce civil defense funds by \$20,000,000..	188	Sept. 19	32-55	20,000,000	H.R. 11456, Transportation (Proxmire), reduce super-sonic transport funds.....	283	Oct. 5	19-54	141,375,000
H.R. 9960, independent offices and HUD (Williams), cut public building construction funds by \$21,036,200.....	189	..do...	27-57	21,036,200	H.R. 11456, Transportation (Williams), reduce FAA equipment funds.....	284	..do...	2-68	37,000,000
H.R. 9960, independent offices and HUD (committee), increase funds for Federal office building construction.	191	..do...	63-23	16,130,000	H.R. 12474, NASA (Proxmire-Williams), reduce funds for several programs.....	286	Oct. 6	30-36	100,500,000
H.R. 9960, independent offices and HUD (committee), increase grants for neighborhood facilities.	192	..do...	56-31	550,000,000	H.R. 12474, NASA (Williams), reduce funds for Voyager program.....	287	..do...	31-34	26,000,000
	193	..do...	60-23	15,000,000	H.R. 11641, public works (Williams), reduce general construction funds.....	289	Oct. 9	12-61	18,516,000
					H.R. 11641, public works (Williams motion), recommend to cut funds.....	290	Oct. 10	27-54	247,808,200
					H.R. 10345, State, Justice (Williams), eliminate SACB funds.....	295	Oct. 11	37-54	295,000

Mr. WILLIAMS of Delaware. Mr. President, the above chart shows the overwhelming margin by which these efforts to reduce appropriations were rejected. An argument can be made that the particular amendments referred to in this report were not the best way in which to achieve reductions in expenditures; however, in answer to that argument I point out that these were the only efforts made to reduce these appropriations and therefore we can proceed on the assumption that at least no one in the Senate knew of a better plan or procedure.

I mention this record, which shows that the Senate has consistently increased the appropriations above those originally approved by the House, to illustrate that we in the Senate cannot dodge our responsibility for the ever-expanding deficits which are now confronting our Government.

However, lest there be any misunderstanding that I am placing the sole responsibility for this high rate of spending on the Senate, I point out that the White House had the veto power to stop these expenditures and did not use it. The President and his political party have control of both the House and the Senate. Almost daily the White House has been sending to the Congress its recommendations for new programs and for increased expenditures under old programs, and until the last few weeks the White House has displayed very little, if any, concern for the tremendous deficits it has consistently piled up for the past 5 years. Not only has the administration been encouraging the expansion of these new spending schemes which were initiated by its Great Society bureaucracy, but the White House has consistently been urging substantially increased expenditures on its own initiative.

For example, the House of Representatives passed H.R. 12080, the bill which provided over \$3 billion in additional annual benefits to those living on social security and welfare. Within a few hours after House approval of this bill the administration's representative, Secretary Gardner, was denouncing it as inadequate, and when he testified before the Senate Finance Committee he presented the administration's recommendation asking that \$3¼ billion more be added to the House-passed bill.

To pay for the \$3¼ billion additional benefits the administration recommended a social security tax increase of only \$200 million during the calendar year 1968. Under the President's plan the increased taxes necessary to finance these additional benefits costing \$3¼ billion would not become effective until January 1, 1969, or 60 days after the 1968 presidential election.

Furthermore, the administration also recommends that at least one-half of the increased taxes necessary to pay for the \$3 billion benefits under the House-passed bill likewise be postponed until after the 1968 election.

Thus we have a situation where now the Johnson administration is recommending a social security bill which would pump over \$6 billion extra cash into the economy in calendar year 1968 with only \$1.3 billion of this amount being raised in revenue during this same calendar year. Under the administration's plan, payroll taxes to pay for the other \$5 billion will not be effective until after the 1968 election.

How can the administration possibly reconcile these contradicting positions wherein on one hand it testifies before the Finance Committee in favor of a bill which will pump an additional \$5 billion in spending money into the economy during 1968 and then 2 weeks later recommend to the same committee a 10-percent across-the-board increase, one of the stated purposes of which is to combat inflation by siphoning from the economy \$7 billion of what is described as excess spending power?

It is this type of contradiction by the Johnson administration which has created so much confusion not only in the minds of the Members of Congress but also in the minds of the American people in general, and it is this type of contradiction or zig-zagging which has brought our country to the verge of disastrous inflation.

Now for a moment let us discuss this Johnson inflation and examine the results as it affects millions of wage earners and retired citizens.

Wages for the factory workers are rising, yes; but the cost of living is rising equally as fast with the result that the wage earners—Government employees, factory workers, farmers, small businessmen, and so forth—are on the treadmill.

Ask any American housewife, and she will tell you about the cost of groceries. She understands what this inflation means.

History shows that the real victims of inflation are always the low- and middle-income groups with the highest penalties being paid by the retirees—those living on fixed pensions.

Today's inflation is the direct result of the Johnson administration's policy of planned deficits.

Today's inflation and today's staggering budget deficit are the direct result of the reckless spending policies of the Johnson administration and its 4-year insistence that we can finance a large-scale war in Vietnam without any sacrifice on the home front.

Today we are reaping the whirlwind of inflation as the result of the seeds of bad fiscal management under the Johnson administration.

To comply with the administration's request to increase taxes only to provide additional revenue to finance the extravagant ideas of the Great Society bureaucrats would only make the situation worse.

To combat inflation effectively a reduction of expenditures must precede action on taxes, and lest there be any misunderstanding I am not interested in promises of reductions either at the congressional or at the executive level. Past experience shows that these expenditure reductions must be made mandatory by law. We are about to go broke on speeches and promises of economy which far too often in the past have been followed by increased expenditures.

However, in view of the size of the deficits which have been accumulating over the past several years and particularly in view of the staggering deficit which confronts us for fiscal 1968, I am not sure we can bring this situation under control entirely through the reduction of expenditures. It may very well take a tax increase as well as a bona fide reduction in expenditures to control this serious inflationary trend with which we are now confronted. While I am not endorsing a tax increase as the solution I will state that as far as I am concerned the solvency of this country is paramount, and if after a bona fide reduction in expenditures has been achieved it appears that a tax increase



would still be necessary I would support it. I would support it on the same basis and for the same reason that I opposed the administration's \$2 billion tax reduction which was pushed through the Congress last March.

I am far more concerned over the disastrous results of a continuation of this inflationary trend than I am over the political consequences of a tax increase. My criticism of the Johnson administration has been and will continue to be that under its reckless spending policies, disguised as planned deficits and so-called controlled inflation, it has allowed our country to drift toward this financial crisis.

Millions of our retired citizens, who are living on fixed incomes, social security, Government and private pensions, life insurance policies, savings accounts, and so forth, have been pauperized as a result of this deliberately planned Johnson inflation represented by the increased cost of living, or the diminishing purchasing power of the dollar.

Thousands of these citizens have retired on what they thought was adequate to take care of their needs, yet they are now being forced to apply for public welfare to meet necessary living expenses.

This administration keeps repeating its great concern over the millions of poverty-stricken people in America. Why should it not be concerned? It is the inflationary policies of the Johnson administration which are responsible for a lot of those people being in poverty today.

It is the inflationary policies of the Johnson administration which have created the highest interest rates in the 20th century.

During the Eisenhower administration, when interest rates rose from 3½ percent to between 4 and 4¼ percent, Democratic Members of the Senate almost daily were denouncing the administration on what they referred to as high interest policies. The leaders of that daily brigade of speakers were the then Senators Lyndon Johnson and HUBERT HUMPHREY.

Today with interest rates at the highest level in the past 100 years, and 50 percent higher than the peak levels of the

Eisenhower administration, both President Johnson and Vice President HUMPHREY are strangely silent. Significantly, not an echo of concern can be heard from the other side of the Senate Chamber.

Why? Why are they so strangely silent? Is it that the members of this Great Society are ashamed of their achievements of forcing on the American public the highest interest rates since the post-Civil War days, Or is it because they just hope that the people will forget and that maybe this problem will solve itself and vanish?

But the solution is not that easy. Congress and the executive branch are both confronted with some hard political decisions—decisions which cannot be postponed much longer.

Interest rates today are at a historic 100-year high.

Interest charges on our huge national debt in fiscal 1968 will be in excess of \$14 billion.

This compares with annual interest charges of \$9.8 billion when President Johnson took office in January 1964—an increase of over \$4 billion in interest charges on our national debt in just 4 years, with approximately one-half of this extra \$4 billion representing the interest charges on the money borrowed to finance the deficits that have been created under the Johnson administration in this same period.

President Johnson, while serving as the majority leader of the U.S. Senate, was a strong and almost daily critic of what he derided as the high interest policies of the Eisenhower administration, yet under his administration interest rates have increased by over 50 percent and the interest charges on our national debt have increased by \$4 billion, or over 40 percent.

Today AAA industrial bonds are selling to yield in excess of 6 percent annual interest, while U.S. Government bonds are selling at prices which yield in excess of 5½ percent interest.

The only money which the U.S. Government today is borrowing at less than 4¼ percent interest is the money it is

borrowing from the workers of America through the sale of series E bonds.

I quote President Johnson's remarks of June 14, 1957, at which time he was a Member of the Senate:

This administration has managed to perform an impossible task. While the value of the dollar has gone down and down for those who spend it, it has gone up and up for those who lend it. . . .

We cannot exist indefinitely as a Nation in which the most profitable activity is lending.

I most respectfully suggest that the President should read his speech on that particular date.

Were these remarks a prophecy? Interest rates in 1957 were 50 percent lower than today's high level. To show just how rapidly interest rates have advanced under the Johnson administration I ask unanimous consent to have printed in the RECORD a table as appearing in the September 1967 "Treasury Bulletin" which shows the average yields on Treasury bonds for each of the years beginning with 1957 and extending through September 1967.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Period:	Treasury bonds	
1957	-----	3.47
1958	-----	3.43
1959	-----	4.08
1960	-----	4.02
1961	-----	3.90
1962	-----	3.95
1963	-----	4.00
1964	-----	4.15
1965	-----	4.21
1966	-----	4.65
1967 September	-----	4.95

Mr. WILLIAMS of Delaware. Mr. President, following that, I ask unanimous consent to have printed in the RECORD a report as appearing in the Wall Street Journal of October 20, 1967, which shows today's price and yield of U.S. Government bonds and notes.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

## GOVERNMENT, AGENCY, AND MISCELLANEOUS SECURITIES, OCT. 19, 1967

## TREASURY BONDS

[Over-the-Counter Quotations: Source on request. Decimals in bid-and-asked and bid change represent 32ds (101.1 means 101 1/32). a—Plus 1/64. b—Yield to call date. c—Certificates of indebtedness. d—Minus 1/64]

Interest rate	Maturity		Bid	Asked	Bid change	Yield	Interest rate	Maturity		Bid	Asked	Bid change	Yield
	Year	Month						Year	Month				
3½	1967	November	99.31	100.1	(a)	3.08	2½	1967-72	September	88.26	89.2	+ .2	5.04
3½	1968	May	99.7	99.9	-----	5.19	2½	1967-72	December	88.4	88.12	-----	5.10
3½	1968	August	98.23	98.25	-----	5.30	4	1973	August	92.6	92.14	+ .2	5.54
3½	1968	November	98.15	98.17	-0.1	5.31	4½	1973	November	92.16	92.24	+ .2	5.55
2½	1963-68	December	97.4	97.8	-----	5.00	4½	1974	February	92.6	92.14	+ .2	5.56
4	1969	February	98.8	98.12	-----	5.30	4½	1974	May	92.28	93.4	+ .2	5.51
2½	1964-69	June	95.23	95.27	- .1	5.17	4	1980	November	90.14	90.22	+ .2	5.48
4	1969	October	97.10	97.14	-----	5.41	4	1980	February	86.8	86.24	- .4	5.49
2½	1964-69	December	94.17	94.21	- .1	5.16	3½	1980	November	81.16	82.0	- .12	5.44
2½	1965-70	March	94.4	94.8	-----	5.08	3½	1978-83	June	77.0	77.16	- .26	5.40
4	1970	February	96.21	96.25	-----	5.51	3½	1985	May	76.24	77.8	- .18	5.15
4	1970	August	96.1	96.5	- .1	5.49	4½	1975-85	May	86.18	87.2	- .8	5.40
2½	1966-71	March	91.23	91.27	-----	5.15	3½	1990	February	76.22	77.6	- .10	5.24
4	1971	August	94.23	94.27	+ .1	5.52	4½	1987-92	August	83.22	84.6	- .2	5.41
3½	1971	November	94.0	94.4	+ .1	5.51	4	1988-93	February	81.12	81.28	- .6	5.32
4	1972	February	93.2	93.6	+ .2	5.53	4½	1989-94	May	81.14	81.30	- .6	5.41
2½	1967-72	June	89.10	89.18	+ .2	5.05	3	1995	February	76.2	76.18	-----	4.50
4	1972	August	93.20	93.78	+ .2	5.46	3½	1998	November	76.12	76.28	- .8	4.97



GOVERNMENT, AGENCY, AND MISCELLANEOUS SECURITIES, OCT. 19, 1967—Continued

## U.S. TREASURY NOTES

Rate	Maturity	Bid	Asked	Yield	Rate	Maturity	Bid	Asked	Yield
4 7/8	November 1967	100.1	100.3	3.30	5	November 1970	98.16	98.20	5.50
5 3/8	February 1968	100.6	100.8	4.16	5 3/8	February 1971	99.16	99.18	5.52
1 1/2	April 1968	98.16	98.22	4.53	1 1/2	April 1971	89.20	89.30	4.70
4 1/4	May 1968	99.23	99.25	5.15	5 1/4	May 1971	99.8	99.12	5.45
4 1/4	August 1968	99.4	99.6	5.28	1 1/2	October 1971	88.8	88.24	4.66
1 1/2	October 1968	97.6	97.10	4.45	5 3/8	November 1971	99.17	99.21	5.47
5 1/4	November 1968	99.25	99.27	5.40	4 3/4	February 1972	96.25	96.29	5.57
1 1/2	April 1969	95.10	95.18	4.72	1 1/2	April 1972	86.26	87.26	4.56
1 1/2	October 1969	93.28	94.4	4.70	4 3/4	May 1972	96.22	96.26	5.55
1 1/2	April 1970	92.14	92.19	4.75	1 1/2	October 1972	85.10	86.12	4.62
1 1/2	October 1970	91.2	91.18	4.60					

Mr. WILLIAMS of Delaware. Mr. President, next, I ask unanimous consent to have printed in the RECORD a table showing how the total interest costs of our national debt has practically doubled between the fiscal years 1957 and 1968.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

## Total interest cost

1957	\$7,244,000,000
1958	7,607,000,000
1959	7,593,000,000
1960	9,180,000,000
1961	8,957,000,000
1962	9,120,000,000
1963	9,895,000,000
1964	10,666,000,000
1965	11,346,000,000
1966	12,014,000,000
1967	13,391,000,000
1968 (estimated)	14,050,000,000

Mr. WILLIAMS of Delaware. Mr. President, where are all those self-proclaimed authorities on monetary policies who during the Eisenhower administration almost daily proclaimed their grave concern over interest rates which at that time were 50 percent lower than today's level?

For years the Johnson administration has been telling the American people that our country can afford both guns and butter. It still insists that all of the Great Society programs can be financed and expanded while at the same time we finance a full-scale war in Vietnam.

The free-wheeling spenders of this Great Society in Congress echo the same tune and then attempt to justify their positions on the false premise that if a tax increase must be enacted it would be placed on the rich and wealthy rather than on the low- and middle-income groups. Such arguments are pure political hypocrisy.

To answer that fallacious argument, I had the staff of the Joint Committee on Internal Revenue Taxation compile a tabulation which shows just how fictitious that claim is. For example, if we were to enact—

A 100-percent tax—that is, complete confiscation—on all incomes in America in excess of \$50,000—\$100,000 joint return—it would provide but \$700 million in additional revenue.

A 100-percent tax on all personal incomes in excess of \$25,000—\$50,000 joint return—that is, confiscation of all incomes in excess of \$25,000—would provide but \$2.1 billion in additional revenue, or just about enough to offset the current deficit of the Johnson administration for 1 month.

A 100-percent tax on all income in excess of \$10,000—\$20,000 joint return—would provide but \$13.2 billion in addi-

tional revenue, or not even enough to balance our budget in fiscal 1968 assuming there would be no reduction in expenditures.

Even these estimates of tax revenue are based on the false assumption that all of those earning in excess of the amounts referred to will continue to work just as hard as they now do for the sole purpose of turning it all over to Uncle Sam.

At this point I ask unanimous consent to have printed in the RECORD a letter dated September 29, 1967, signed by Mr. Laurence M. Woodworth, chief of staff of the Joint Committee on Internal Revenue Taxation, wherein these figures are confirmed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,  
JOINT COMMITTEE ON INTERNAL  
REVENUE TAXATION,  
— Washington, September 29, 1967.

HON. JOHN J. WILLIAMS,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR WILLIAMS: This is in reference to your request of this morning (by telephone through Mr. Vail) for an estimate of the revenue gain which would result from taxing at 100% all taxable income over \$10,000 (\$20,000 for joint returns), over \$25,000 (\$50,000 for joint returns), over \$50,000 (\$100,000 for joint returns), and over \$100,000 (\$200,000 for joint returns), respectively.

At estimated 1967 levels of income, we estimate the revenue gain to be as follows:

If taxable income were taxed at 100 percent—	The revenue gain would be—
Over \$10,000	\$13.2 billion.
Over \$25,000	2.1 billion.
Over \$50,000	0.7 billion.
Over \$100,000	0.2 billion.
	1.9 billion.

Sincerely yours,

LAURENCE N. WOODWORTH.

Mr. WILLIAMS of Delaware. Mr. President, I call these statistics to the attention of the Senate and the country to emphasize the fact that as Congress increases its spending it will be the low- and middle-income groups who pay the tax.

I regret the necessity for taking this much time of the Senate to make this report, but in my opinion, second only to our problems with the war in Vietnam, the fiscal policies of this country are of paramount importance.

For too long both the administration and the Congress have been following a drifting policy with the result that our balance of payments has been getting worse. Our supply of gold has dropped from \$17.804 billion in 1961 to \$13.075 billion today. Our national debt today stands at \$340 billion, an alltime high.

Our expenditures for the past 5 years have been exceeding our national income by an average of over \$10 billion per year, and today our deficit is running at a substantially higher rate.

As a result of the artificial ceiling of 4 1/4 percent on longtime Government bonds, a farcical situation which is being perpetrated upon the insistence of the Johnson administration, our Government for the past several years has been unable to sell any bonds with maturity in excess of 7 years, until 1967, this was 5 years. The result is that we have been financing our deficits on short-term basis, or in effect monetizing our national debt.

It is ironic to note that the only money which the Federal Government is borrowing today at 4 1/4-percent interest rates is by virtue of the series E bonds which it is selling to the American workman and the schoolchild. I say it is ironic because this discrimination among lenders is being practiced by an administration which is always speaking so much about its concern over the little investor; yet today, when regular Government bonds with 7-year maturity, are selling at yields in excess of 5 1/2 percent, the Johnson administration insists that the small investor should not be paid over 4 1/4 percent.

I know of no better way to express my opinion on this practice of the Johnson administration's discrimination against the small investor who buys these series E bonds than to quote the words of the Vice President of the United States, Mr. HUMPHREY, who, as a Member of the U.S. Senate, when discussing this same point on June 1, 1959, said:

When one sifts through all the arguments of the administration as to the virtues of tight money and soaring interest rates, he really gets down to the fundamental fact that the administration simply believes it is all right for the bankers to boost their prices and reap a harvest, but that somehow it is not quite proper for wage earners to ask to share in the increased productivity of the economy. What the administration actually believes in is the old trickle-down system, whereby the main course goes to the high and the mighty, and the leftovers to John Q. Public.

If the administration really wants to do something about the cost of living, I suggest that it stop and re-examine its position on monetary policy.

There is nothing which I can add which would state more eloquently the situation as it exists under the Johnson administration today than to quote the Vice President.

These high interest rates have been especially harsh on the home buyers of America, the farmers, and the small busi-



nessmen who could not pass on these excessive charges as part of the cost of a Government contract.

Today nearly 50 percent of our \$340 billion debt has a maturity of less than 1 year as compared with only 38 percent for a similar maturity in 1960 and 32 percent in 1955.

Such a trend automatically reduces the percentage of our national debt which is financed with bonds with maturity dates in excess of 5 years.

Our deficit situation is serious, and this inflationary trend cannot and must not be ignored any longer.

The continuing uncertainty as to whether the President is sincere or not sincere in his request for a tax increase and the uncertainty as to whether Congress will or will not comply with his request for the enactment of a tax increase is creating a state of confusion in our financial and business world.

For Congress to adjourn and go home without having answered this question of whether a tax increase will be enacted or to postpone this decision until the first of next year will only further add to this state of confusion.

The American dollar is not in a position secure enough whereby either the Congress or the administration can afford to dillydally. The day of decision is here. Flowery speeches and more promises are not enough. This is the time for action.

The American people are entitled to the truth as to the precarious financial situation with which we are confronted.

In the past too much has been said in an effort to play down the real size of our deficit spending.

One of the major reasons the President is having such difficulty in selling his tax program to Congress and to the American people is largely due to the fact that they do not trust his estimates of deficits, nor do they trust his promises of economy.

In fact, ever since last January, when the President first asked for a 6-percent tax increase, questions have been asked: Is he sincere, or is this just another political maneuver to give the President an image of fiscal responsibility?

This question of the President's sincerity in recommending a tax increase was accentuated by comments of the Nation's top business leaders who met at Hot Springs, Va., just last week. I quote from press accounts of this meeting as appearing in the Evening Star of October 20, 1967:

EXECUTIVES SAY JOHNSON IS NOT PRESSING TAX RISE

The Johnson administration is urging the nation's top businessmen to speak up louder for a tax increase, but privately the businessmen feel it's the President who needs the pep talk.

The administration has sent an impressive array of officials to Hot Springs, Va., to spread the word on taxes during a private, two-day meeting of the Business Council, a select group of more than 100 of the nation's leading businessmen and industrialists. The meeting opened today.

Prior to the session, Commerce Secretary Alexander B. Trowbridge told a meeting of the Young Presidents' Association here that although businessmen understand the need for an inflation-fighting tax rise, "they don't speak loud enough to be heard very

clearly on Capitol Hill or in their communities."

#### FEELING IS MUTUAL

But in talks with business leaders attending the Hot Springs session, it appeared that many of them feel Johnson is not promoting his proposed 10 percent income tax surcharge measure with the energy he mustered to win a major tax cut back in 1964 . . .

"I think he shows economic and leadership bankruptcy," said one businessman who claimed he had previously supported Johnson and was considered something of a "leftist" by the more conservative members of the council.

He said, Johnson had not pushed his tax increase proposal vigorously enough. "I don't think he is really sincere in advocating the tax increase," he added.

#### HOOR FEARED TOO LATE

But he and other council members believe Johnson will not give up on a tax increase. In any event, another businessman said, "I think it's too late. If there is a big buying rush at Christmas, with no tax increase by January, inflation will be here and it will be too late."

Nor are these questions of the President's sincerity entirely without foundation because 6 weeks after his January 1967 message advocating a tax increase, the administration had reversed its direction and asked Congress to approve a \$2 billion tax reduction.

This sudden reversal of direction was reminiscent of the 1965 episode when the administration and Congress approved a \$1 billion reduction in excise taxes on communications and automobiles to be effective January 1, 1966, only to repeal this reduction just 90 days later. That established an all-time record as the shortest tax reduction in American history.

Let us review this record of other misleading statements as to budget deficits and expenditure reductions.

Let us go back to January 30, 1961, when President Kennedy in his state of the Union message, told Congress:

It is my current intention to advocate a program of expenditures which with resulting revenues from a stimulation of the economy will not of and by themselves unbalance the budget.

The deficit for fiscal 1962—that same year—was \$6,378 million, or more than \$500 million a month.

The following year, on January 11, 1962, President Kennedy addressed a joint session of Congress. He said:

I am submitting for fiscal 1963 a balanced Federal budget.

The deficit for fiscal 1963 was \$6,266 million.

On January 14, 1963, President Kennedy in his message to Congress said:

I will shortly submit a fiscal 1964 administrative budget which, while allowing for needed rises in defense, space, and fixed interest charges, holds total expenditures for all other purposes below this year's level.

The deficit for fiscal 1964 jumped to \$8,226 million, or an average rate of almost \$700 million a month.

On January 21, 1964, President Johnson, in his first state of the Union message to Congress, said:

My proposals call for administrative budget expenditures in 1965 of \$97.9 billion—\$900 million less than required in the

1964 budget . . . This marks an important first step toward a balanced budget.

The deficit for this fiscal year was \$3,435,000,000, or about \$300 million a month. The actual deficit this year based on past accounting practices was \$4.8 billion.

On January 4, 1965, President Johnson in his state of the Union message said:

We will continue along the path toward a balanced budget and a balanced economy.

The deficit reported for fiscal 1966 was \$2,251,000,000. I shall point out later how the actual deficit this year was over \$8½ billion.

On January 12, 1966, President Johnson, in presenting his 1967 budget, during his state of the Union message said:

If you approve every program that I recommend tonight our total budget deficit will be one of the lowest in many years. It will be only \$1.8 billion next year.

Their reported deficit for fiscal 1967 was \$9,937,935,200. The actual deficit, as I will later show, when you eliminate all the fancy bookkeeping, was over \$18 billion.

On January 24, 1967, President Johnson in his budget message predicted an \$8 billion deficit for fiscal 1968. I quote from that message:

Administrative budget expenditures will amount to \$126.7 billion in 1967 and \$135.0 billion in 1968. In these 2 years, revenues in the administrative budget are estimated to rise from \$117.0 billion to \$126.9 billion. As a result, the budget deficit will fall from \$9.7 billion in the current fiscal year to \$8.1 billion in 1968.

Estimates of the 1968 deficit now range from \$22 billion to \$28 billion.

As late as June 1967 when testifying before the Senate Finance Committee Secretary Fowler had revised the President's January estimate of an \$8.1 billion deficit and predicted a deficit of around \$11 billion.

Both the January and June estimates were based on the premise that the President would ask for a 6-percent tax increase, but as late as July 14, 1967, the administration was still uncertain as to its 1968 tax policies.

To confirm this latter point I ask unanimous consent that my letter of June 28, 1967, and Secretary Fowler's reply thereto on July 14, be printed at this point in the RECORD. This correspondence confirms that as of that date the administration had not made a decision on its tax policy for 1968.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, D.C., June 23, 1967.

Hon. HENRY H. FOWLER,  
Secretary of the Treasury, Department of the Treasury, Washington, D.C.

MY DEAR MR. SECRETARY: According to recent press accounts the Administration is planning to submit to the Congress sometime before its adjournment a request for a broad tax increase.

Before any tax increase is enacted many of us feel that certain recognized loopholes in our existing tax structure should be re-examined. I am therefore trusting that the Administration's decision will be submitted to the Congress far enough in advance to give us adequate time to consider these revisions along with your request for new taxes.

Yours sincerely,

JOHN J. WILLIAMS.



THE SECRETARY OF THE TREASURY,  
Washington, July 14, 1967.

Hon. JOHN J. WILLIAMS,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR WILLIAMS: Your letter of June 28 suggests that some problems of loopholes in the tax structure should be re-examined in connection with Congressional consideration of a tax surcharge. You indicate, therefore, that the President's Message on Tax Reform should be submitted to the Congress in time for consideration in connection with the surcharge.

As you will realize, a number of factors must be taken into account in settling on the timing of specific Presidential requests to the Congress.

With regard to the relationship of tax revision to the surcharge, I would like to refer to the President's Economic Message where he said, "This work of basic reform should proceed independently of the requirements for raising taxes or the opportunities for tax reduction." When the surcharge recommendation is made in definite form, the Congress will want to concentrate on the central issues of the size of the needed tax increase and the timing. The needed rapid action could be lost in a protracted debate on substantive tax revision.

For this reason it seems desirable that tax reform and stabilizing tax rate adjustments be approached separately.

Sincerely yours,

HENRY H. FOWLER.

Mr. WILLIAMS of Delaware. In January 1967 the President recommended a 6-percent across-the-board increase in our corporate and individual taxes. Six weeks later, in February, he was recommending a \$2 billion tax reduction—restoration of the 7-percent investment credit—and at the same time Secretary Fowler informed Congress that the administration's plan was to reduce the excise taxes on automobiles from 7 to 2 percent and the telephone tax from 10 to 1 percent effective March 31, 1968. These latter two actions would represent an additional tax reduction of over \$1 billion.

On August 3, 1967, President Johnson sent a special message to Congress canceling his earlier proposed 1968 cuts in automobile and telephone taxes and asked instead for a 10-percent tax increase, which would yield approximately \$7 billion on an annual basis. To support this proposal he predicted that without the tax increase the deficit for fiscal 1968 would approach \$28 billion or \$30 billion while with the 10-percent tax increase the deficit would be in the neighborhood of \$22 billion.

What happened between June and August that caused such a wide change in the administration's estimates of expenditures and deficits? The estimate in June of a potential \$11 billion deficit was based on the assumption of a 6-percent tax increase. In August based on a 10-percent tax increase the estimated deficit was projected at \$22 billion. Was this an effort to scare Congress into quick action?

However, it should be noted that the aforementioned deficits as reported do not tell the true story. This is due to the fact that under the Johnson administration they have been juggling their financial statements, selling our assets—participation certificates—and diverting the proceeds into the general revenue as

though they were ever-recurring income. This unorthodox method of financing our public debt has cost the taxpayers an extra one-half percent interest charge.

The silver content of our coins has been reduced with a resulting profit of around \$2½ billion to the Government. This profit has been included as a part of general revenue. Payments of corporation and withholding taxes have been accelerated to move additional revenue into the past 4 fiscal years.

All of these nonrecurring items have been used as general revenue to defray current expenditures and thereby mini-

mize the amount of the true deficit as it was being reported to the American taxpayers.

At this point I ask unanimous consent to have printed in the RECORD a statistical report prepared with the assistance of the committee staff which takes all of these budget-juggling factors into consideration, and gives the true deficit for each of the fiscal years 1964 through 1968 as they would have appeared had normal accounting practices been followed by the Johnson administration.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

#### ACTUAL DEFICITS, 1964-68

(In millions of dollars)

Fiscal	Speed-up					Total actual deficits
	Sales		Accelerated corporation tax payment	Excise and accelerated withholding	Seniorage	
	Reported deficit	FNMA				
1964-----	\$8, 226	-----	\$300	-----	\$69	\$8, 595
1965-----	3, 435	\$300	1, 000	-----	117	4, 852
1966-----	2, 251	1, 840	2, 900	\$900	649	8, 540
1967-----	9, 937	2, 900	4, 300	1 375	1, 072	18, 584
1968 <sup>2</sup> -----	14, 000	4, 000	<sup>3</sup> 1, 600	-----	519	20, 119
Total-----	37, 849	9, 040	10, 100	1, 275	2, 426	60, 690

<sup>1</sup> Includes \$100,000,000 in speedup of withholding deposits and \$275,000,000 in excise tax payments from a monthly to a semi-monthly basis.

<sup>2</sup> Estimate, allowing for proposed tax increase.

<sup>3</sup> ½ of this includes the President's 1968 proposal for speedup in corporate tax payments.

Mr. WILLIAMS of Delaware. This chart shows that during the 5 years from 1964 through 1968 the deficit of the Johnson administration will be in excess of \$60 billion, or \$12 billion per year, which is more than \$1 billion per month; and this based upon the conservative estimate of a \$14 billion reported deficit for fiscal 1968.

Not only has this administration been juggling the budget figures in an effort to mislead the American people as to the true extent of the deficit spending, but it has also misled the public as to the sincerity of its promises to curtail expenditures.

For example, on December 1, 1965, President Johnson, speaking from his Texas ranch, announced that he was issuing an Executive order to reduce civilian employment in the Federal Government by at least 25,000 jobs during the remainder of that fiscal year, which would end June 30, 1966.

This announcement was hailed throughout the country as a great step toward reducing the cost of Government.

What happened? Instead of reducing employees by 25,000 in the succeeding 7 months they actually added 187,506 employees.

The Budget Bureau estimates that these 187,000 employees, who were added in violation of the President's own Executive order, will cost the taxpayers over \$1½ billion per year.

At this point I ask unanimous consent to have printed in the RECORD a copy of an article appearing in the New York Times of December 2, 1965, concerning this reduction followed by a statistical breakdown of the 187,000 additions to the public payroll in the following 6 months.

There being no objection, the article

and table were ordered to be printed in the RECORD, as follows:

#### PRESIDENT BACKS A CUT IN U.S. JOBS—APPROVES PLAN TO RETIRE 25,000—SPENDS QUIET DAY

AUSTIN, TEX., December 1.—President Johnson approved this afternoon a plan that could eliminate 25,000 Government jobs.

The plan, contained in a memorandum from the Budget Bureau and released here, instructs the heads of Government departments and agencies to reduce their employment by 1 to 1.25 per cent by the end of the fiscal year 1966, which ends next June 30.

Joseph Laitin, assistant White House press secretary, said the plan did not mean that present employees would be dismissed. It is designed, he said, to take advantage of stepped-up retirements from Government jobs.

These retirements have been increasing because of a new law offering certain inducements, including larger pensions, to employees who retire before the first of the year.

"The vacancies thus created," the memorandum said, "present an opportunity to take new specific action to carry out the President's long-standing instructions to hold Federal employment at the minimum necessary to carry out Government operations effectively."

The President spent a quiet day at his ranch studying reports and preparing for a meeting tomorrow with Secretary of Agriculture Orville L. Freeman and Secretary of State Dean Rusk.

The main topic at the meeting is expected to be the world food situation and Mr. Johnson's forthcoming talk with President Mohammad Ayub Khan of Pakistan.

Mr. Rusk is expected to join Mr. Johnson and Defense Secretary Robert S. McNamara for a discussion of world problems this weekend or early next week. The White House announced yesterday that this meeting would be held tomorrow or Friday. However, officials explained today that administrative work at the Pentagon would keep Mr. McNamara in Washington longer than expected.



The President also spoke by telephone with his special assistant for national security affairs, Mr. McGeorge Bundy. Mr. Laitin, in response to a question, said that the subject of Mr. Bundy's future had not been discussed and that, to the best of his knowledge, the two men had never discussed it. Mr. Bundy has been offered a post as head of the Ford Foundation.

Year and month	Employment	Increase
1965—December.....	2, 550, 742	-----
1966—January.....	2, 555, 572	4, 830
February.....	2, 580, 518	24, 946
March.....	2, 610, 780	30, 262
April.....	2, 644, 153	33, 373
May.....	2, 665, 160	21, 007
June.....	2, 738, 248	73, 088
Amount of in- crease Decem- ber 1965 to June 1966.....	-----	187, 506

Mr. WILLIAMS of Delaware. But that was just the beginning of the false economy promises which were coming from the White House.

On September 20, 1966, about 6 weeks prior to the election date, the President, recognizing the criticism he was receiving from the previous action, issued an Executive order freezing employment at the level of that which prevailed on July 1, 1966.

Again this Presidential action was hailed throughout the country as a step, though belated, in curtailing unnecessary Government expenditures.

But like the similar statement in the preceding December, this was but another political propaganda maneuver. Instead of holding employment at the July 1 level, another 206,432 employees were added to the public payroll. All of these additions to the Federal payroll were above the normal replacements due to resignations, retirements, and so forth.

The cost of these additional 206,000 employees to the American taxpayers will be a minimum of \$1,500,000,000 annually.

At this point I ask unanimous consent that the Executive freeze order of September 20, 1966, and a list of employees added thereafter be printed in the RECORD.

There being no objection, the Executive order and the list were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, D.C., Sept. 20, 1966.

Memorandum for the heads of executive departments and establishments.

Subject: Fiscal year 1967 employment ceilings.

1. The President has directed that the head of each agency take necessary steps to:

a. Hold employment in *full-time permanent positions* for the remainder of fiscal 1967 to a level at or below that prevailing as of July 31, 1966. (Those agencies whose employment is already above the July 31, 1966, figure should reduce their employment to the July 31 level as expeditiously as possible by not filling vacancies.)

b. Hold employment in *temporary, part-time, or intermittent positions* for the remainder of fiscal 1967 to a level at or below that prevailing as of June 30, 1966, except for meeting normal seasonal changes in agency workloads. In no event should such employment on June 30, 1967, exceed that on June 30, 1966.

2. These actions are an essential part of President Johnson's efforts to reduce Federal expenditures.

3. Each agency head should make every effort to achieve the lowest possible level of employment. We must increase our productivity, redeploy our personnel, simplify our procedures and strip work to essentials in order to meet the employment ceilings established by this memorandum.

4. In view of the personnel requirements involved in the Viet Nam conflict, the Department of Defense and the Selective Service System are specifically exempt from paragraph 1 of this memorandum. For these two agencies, employment ceilings heretofore in effect will remain in effect subject to adjustment during review of the 1968 budget.

5. In the case of the Post Office, the June 30, 1967, employment ceiling established in the January budget review will remain in effect.

6. Requests for exception to the levels established by this memorandum will be presented to the Director of the Bureau of the Budget by the agency head under the following circumstances *only*:

a. When the need for employment increases can be related directly to requirements for Southeast Asia, or

b. When employment increases are needed for new programs which were not in existence on July 31, 1966, and for which appropriations or other funds have been provided and have been apportioned by the Bureau of the Budget, or

c. When employment increases are needed for emergency situations involving the protection of life, property, or the national security, or

d. When transfers of functions from one agency to another or from headquarters to the field result in a need to adjust employment levels.

In any of the above cases, *exceptions will not be requested* until the *agency head* has determined that it is clearly not possible to meet the required employment needs by re-deploying personnel from other areas so as to remain under the employment level established by this memorandum. *Exceptions will not be granted* unless agencies clearly demonstrate that such shifts have been evaluated and that they are not feasible.

CHARLES L. SCHULTZE,  
Director.

LIST OF EMPLOYEES

Year and month	Employment	Increase
1966—September.....	2, 773, 724	-----
October.....	2, 798, 212	24, 488
November.....	2, 834, 940	36, 728
December.....	2, 842, 528	7, 588
1967—January.....	2, 848, 249	5, 721
February.....	2, 864, 626	16, 377
March.....	2, 882, 639	18, 013
April.....	2, 899, 673	17, 034
May.....	2, 905, 599	5, 926
June.....	2, 980, 156	74, 557
Total.....	-----	206, 432

Mr. WILLIAMS of Delaware. I regret the necessity for taking so much of the Senate's time to make this report, but I thought it necessary to review the record and to show the American people just how we have drifted into this near state of financial crisis. Also, this report is intended to show why there is so much uncertainty as to just how sincere the administration is in its promise to cut expenditures or in its efforts to raise taxes.

I am not a pessimist. We have a great country, and I am confident that we can solve this financial problem with which we are now confronted. The stability of the American dollar not only can but must be preserved. This inflationary

spiral must be checked; otherwise the life savings of millions of Americans will be destroyed. We can all agree that Congress has no alternative but to provide whatever is necessary to back the American boys in Vietnam. That comes first, but we can tighten our belts here at home. We can postpone or hold in abeyance some of the expenditures on domestic programs.

The most important steps toward the solution of any problem are first, to recognize that it exists; second, to understand what caused it; and then to be willing to take the necessary steps to solve it.

Both the administration and Congress know that our country, as great as it is, cannot stand these \$20 billion to \$30 billion deficits being piled on top of an already weak financial structure.

Both the administration and Congress know what caused this financial crisis—and it is a crisis when we are confronted with a \$30 billion deficit, an expensive war in Vietnam, accelerated inflation, and interest rates at the highest level in 100 years.

Both the administration and Congress know that unless some action is taken to check this inflationary threat the next step could well be a demand for price and wage controls. This could be disastrous to our private enterprise system.

Yes, the problem is here; we know the cause, and now let us, the administration and the Congress, get together and seek a solution.

In this respect I recognize that Congress too has a responsibility, and it is in recognition of our responsibility that I am making the following suggestions:

First. A bona fide reduction in Government spending, including the postponement of all new public works projects and the suspension of activities on all existing projects until such project or projects have been certified either as being essential to our national defense or that postponement would result in an unnecessary economic loss.

Second. Reduce the personnel on the civilian payroll of the Government down to the level existing on September 20, 1966, at which time President Johnson issued his Executive freeze order. This one action alone would reduce the public payroll by over 200,000 and result in an annual reduction in expenditures of around \$1.5 billion. This reduction could be achieved without hardship to present employees by merely curtailing all hiring for replacements of normal resignations or retirements.

Third. Repeal the fictitious 4¼-percent interest rate ceiling on long-term Government bonds. This ceiling is a farce and has cost the taxpayers several hundred million dollars in unnecessary interest charges.

Fourth. Congress should take definite action before it adjourns to settle the question of whether there will or will not be a 1968 tax increase. Both the administration and the Congress have the responsibility to eliminate this cloud of uncertainty now hanging over our securities and financial markets by either accepting or rejecting the President's tax proposals.



This continued uncertainty can have a serious effect in financial markets and on our entire domestic economy; therefore, to facilitate this decision I recommend that the chairman of the Senate Finance Committee or some Senator in the President's party introduce President Johnson's tax proposals in the U.S. Senate and then the Senate Finance Committee should promptly schedule public hearings.

It has always been traditional that the chairman of the appropriate committee introduce the President's recommendation even though he personally may not agree or be willing to support the bill. It is customary to introduce administration bills upon request.

It is inconceivable to me that the President of the United States could not get a single member of his own political party in the U.S. Senate to introduce his recommendations, or that the chairman of the Senate Finance Committee would reject a request from him for public hearings on his tax bill.

If, however, the relations between the President of the United States and the members of his own political party in the Senate are of such a strained nature that not one will introduce his tax proposals I volunteer as the ranking minority member of the Senate Finance Committee that if he will send his recommendations to my office I will not only introduce them in the Senate but join him in petitioning the chairman of the Senate Finance Committee to conduct public hearings. I have entirely too much respect for the Office of the President to have his recommendations completely ignored regardless of how we as individual Senators may feel.

By following this procedure the Senate would be able to move promptly after the House takes action, or if the House does not act, the Senate could, if it so desired, attach the bill as a rider to a previously House approved revenue measure.

There is a precedent for such Senate consideration before House action on revenue bills, and as an example I cite none other than the situation whereby for 3 days last week the Senate Finance Committee held public hearings on various proposals to impose quotas on oil, steel, textiles, and so forth. All such measures must either originate in the House or be attached as amendments to a previously enacted House measure. Likewise, the President's proposal to finance election campaigns out of the Federal Treasury was first introduced and hearings were held in the Senate. Furthermore, this procedure of Senate consideration before House action had administration approval.

I realize that these suggestions embrace some unpleasant steps. Adoption of these expenditure reduction measures would mean that some of the programs which I like, some of the projects in my State, as well as some of the programs and projects in the States of other Senators would be affected. But real economy and a bona fide reduction in Government expenditures can only be obtained by every American citizen's recognizing the seriousness of our present financial situation and agreeing that all of us will tighten our belts and postpone some of

these projects and programs which under normal conditions would be considered highly meritorious.

After these expenditure-reduction steps have been taken—and I emphasize "after"—if the financial position of our Treasury is still not under proper control, I would recommend that this Congress enact a tax increase before we adjourn. It may very well take a combination of a reduction in Government expenditures as outlined plus a tax increase to restore this country to a degree of solvency where the American dollar can be protected and the ravages of inflation avoided.

But I cannot overemphasize the importance that whatever action the administration and the Congress are going to take it should be done promptly and before this Congress adjourns.

This administration and this Congress have passed the laws drafting the youth of America, and we have today over one-half million American boys fighting in Vietnam for the protection of their country and the cause of freedom.

Daily those men are displaying heroic courage in the discharge of their assigned duties. Can we in the executive and legislative branches do any less in the discharge of our responsibilities?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JORDAN of Idaho in the chair). The clerk will call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

Mr. YOUNG of North Dakota. Mr. President, I would like to be able to support the continuing resolution as it came from the House rather than the resolution now pending before the Senate which is simply a continuing resolution of the sort that we have passed many times in previous years and twice before this year.

I am in full accord with the House position of trying to save from \$5 billion to \$7 billion, but how they do it is another matter. The manner in which these cuts are to be made are very ambiguous; and when the resolution is examined closely, I believe it will be apparent that some very unfair cuts would be applied.

Director Schultze, of the Bureau of the Budget, did not know how the cuts would be applied in many cases. He said that in many instances an interpretation of the Comptroller General would be necessary to determine what was required by the House action. He did give us some idea as to where he thought these cuts would be applied under the Whitten amendment to the resolution that passed the House. The Whitten amendment would require

a cut of approximately \$7 billion, and the expenditure, not on appropriations, for the present fiscal year could not exceed 1967 appropriations, except in certain instances.

There were two or three exceptions, as I recall. One exception was for Department of Defense operations relating to Vietnam.

The Budget Director indicated that the cut might apply in the following manner: It would require a mandatory cut in the Defense Department appropriation of \$2½ billion on top of the \$1½ billion we have already cut in the regular appropriation bill and this at a time when war requirements in Vietnam are increasing. Agriculture would be cut \$400 million; Commerce, \$250 million; Interior, \$150 million; State Department, only \$10 million.

This cut would apply in the case of the State Department because its present appropriation is approximately the same as that of last year. I am not aware that the State Department has had any new functions added to its appropriation.

In the case of the Department of Agriculture, where the cut would be \$400 million, many new functions have been added from year to year which have little or nothing to do with agriculture. For example, the food stamp program has been added to this year's budget. In the last couple of years, we have added housing for towns and cities with a population up to 5,500 and under, and for farmers, to the Agriculture appropriation bill. And we have had the sewer and water system program added to Agriculture, which affects not only farmers but also towns and cities with a population up to 5,500.

So Agriculture would receive a larger cut because of the functions that have been added to the Department of Agriculture. The State Department would receive a cut of only \$10 million, which certainly would not hurt it at all.

The Veterans' Administration would be cut by \$180 million, and they have a vastly increased load because of the increasing casualties returning from Vietnam. I do not believe this department can afford any cut at this time.

Mr. President, I have in my hand a table which I ask unanimous consent to have printed in the RECORD as part of my remarks. These figures were presented by Budget Director Schultze before the Committee on Appropriations as to where he believed cuts would be required under the House Joint Resolution 888. It should be noted, however, that in many instances a determination by the Comptroller General would be necessary to know exactly how the House joint resolution would apply.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Areas where appropriations are controllable  
(not locked in)*

[In thousands of dollars]

Agriculture .....	3,900
Commerce .....	970
Corps of Engineers.....	1,300
Health, Education, and Welfare.....	7,500
Interior .....	1,600
Housing and Urban Development....	1,100
Justice .....	437
Labor .....	530



*Areas where appropriations are controllable  
(not locked in)—Continued*  
[In thousands of dollars]

Post Office.....	585
Transportation .....	1,500
Treasury .....	920
Agency for International Develop- ment .....	2,600
State .....	300
Atomic Energy Commission.....	2,600
General Services Administration.....	560
National Aviation and Space Agency.....	4,500
National Science Foundation.....	526
Veterans' Administration.....	1,600
Office of Economic Opportunity.....	2,060
Military and civilian pay raises.....	1,000
Other .....	2,000
<b>Total .....</b>	<b>38,088</b>

*House Joint Resolution 888—Estimated re-  
duction effected by resolution as passed  
the House*

	1968 expenditures
Defense .....	\$2,500,000,000
Health, Education, and Wel- fare .....	1,100,000,000
Agriculture .....	400,000,000
Commerce .....	250,000,000
Housing and Urban Develop- ment .....	500,000,000
Public works.....	40,000,000
Interior .....	150,000,000
Justice .....	45,000,000
Labor .....	20,000,000
State .....	10,000,000
Transportation .....	75,000,000
Agency for International De- velopment .....	140,000,000
Atomic Energy Commission.....	120,000,000
General Services Administra- tion .....	30,000,000
Office of Economic Oppor- tunity .....	400,000,000
Veterans' Administration.....	180,000,000
Pay raise.....	600,000,000
Small Business Administra- tion .....	200,000,000
National Science Founda- tion .....	60,000,000
<b>Total .....</b>	<b>6,821,000,000</b>

Mr. YOUNG of North Dakota. Mr. President, these appropriations cut would be applied to what the Budget Director calls "not locked in" items, interest on the national debt, payments to veterans, and items of that nature would not be affected. The total of the "not locked in" items would be approximately \$38 billion, and to this amount would have to be applied largely the \$7 billion cut in the House resolution.

This would mean a sizable cut in many of these departments.

We are not exactly clear—at least I am not—as to whether the President could cut, say, \$5 billion in expenditures from the Interstate Highway trust fund. He withheld the spending of these funds last spring. Could he now withhold, say, \$5 billion in Interstate Highway trust funds to make up \$5 billion of the \$7 billion required under the House resolution?

These are only some of the ambiguities in the House-passed bill.

If we do not add amendments to the pending resolution, I believe everything would be in conference and we could come up with a much more understandable and effective resolution than the one we received from the House and still retain their objectives.

Of course, I shall support the amendment offered by the distinguished Senator from South Dakota [Mr. MUNDT], which would require a 5-percent cut in all appropriations.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### VIETNAM WAR

Mr. GORE. Mr. President, President Johnson, Vice President HUMPHREY, and Secretary Rusk have recently made some significant comments about the war in Vietnam. It is good that they do so. I, too, submit some views in this regard.

At the very outset, I wish to say that American troops engaged in war in Vietnam deserve to be supported and supplied with all equipment and the materials necessary to enable them to accomplish the mission assigned them by their superiors with maximum effectiveness and minimum loss of life.

Let it be emphatically understood, however, that such support has not and does not reflect approval on my part of the policies and decisions that have led to our involvement in Vietnam in its current proportions.

Support of our troops in battle is one thing; approval of national policies and decisions which put them there is quite another. What has been done has been done. I voice my deep concern at this time, not with any idea that the calendar can be reversed; not for the purpose of expressing criticism, but in the hope that a searching public analysis and debate of the present may possibly be of some help in shaping the momentous decisions in the days and months ahead. The responsibility of a U.S. Senator and the dictates of conscience impel me to participate in the great, ongoing national debate now underway not only in the U.S. Senate, but also around every fireplace and coffee table.

I sincerely hope that what I, and many others, may say at this time and in the days to come will assist the American people in arriving at a collective national opinion as to just why we ought or ought not be waging war in Vietnam. For the really disturbing thing about this entire Vietnamese episode is that the country is cruelly and deeply divided and this division is affecting all phases of our national life. We must resolve the Vietnam question and arrive at a true unity. Only then can we get on with the task of fulfilling our national destiny. It is in this respect that I venture to speak.

Is U.S. security truly involved in the war in Vietnam? For what lesser cause would we send men to fight and die? That has always been the central issue, as I have seen this problem. It is precisely on this level and upon this point that our policies, particularly our future policies, should be examined.

The real question posed by the recent statement of administration leaders is not whether it constitutes a change in our reasons for being in Vietnam, but whether this thesis is valid.

I do not think that President Johnson has shown—or that anyone has shown—that our national interest in Vietnam is "real." I do not believe that he has offered convincing evidence—or indeed any evidence—that no matter what the outcome of the war in Vietnam we will secure a peace that is either "organized" or "reliable." We have not yet achieved such a peace in the absence of conflict. How can we expect to achieve it through a major international disruption?

The truth, as I see it, is that the war in Vietnam is a quagmire into which we have stumbled, and from which we must extricate ourselves as honorably, as cleanly, and as gracefully as possible. Other nations have found the political courage, the will, and a manner with honor to extricate themselves from untenable and dangerous positions—Russia from missile bases in Cuba, France from Algiers.

The invocation of the threat of China—perhaps obsession would be a better word—is as true today as it has ever been. But does this establish a mortal danger for the United States in happenings in Vietnam?

I think that most experts on Vietnam would concur that North Vietnam is far from being an actual—let alone willing—Chinese puppet or satellite. Two thousand years of Vietnamese-Chinese relations have left the Vietnamese with feelings toward the Chinese which one eminent authority has described as "like those of the Irish for the English of Oliver Cromwell's day." And as the war continues—although the pronouncements of the administration repeat, and repeat, and repeat the view that it is Peking that stands behind Hanoi—the Soviet Union has become North Vietnam's chief military and economic provider. Chinese rifles and mortars are fired by enemy troops against American soldiers, but the North Vietnamese fly Soviet Migs, shoot down American planes with Soviet missiles using Soviet radar, move their armies with Soviet oil and fire Soviet artillery.

Several months ago, the Wall Street Journal reported that Soviet arms aid to North Vietnam totaled \$25 million in 1964, \$200 million to \$225 million in 1965 and about \$200 million in 1966. In the same years Chinese military aid varied from \$35 to \$60 million a year. It has been estimated that between 1955 and 1966 Soviet military assistance totaled \$1.5 billion compared to a Chinese total of some \$200 million. In October of last year at a meeting in Moscow, the Soviet Union and a number of other Communist countries reportedly said that they had agreed to help Hanoi with an additional \$1 billion in material and money and only last month, when a new Soviet trade and aid agreement was signed with North Vietnam, the communique issued on that occasion stated that in 1968 the Soviet Union would provide: airplanes, antiaircraft and rocket equipment, artillery and small



arms, ammunition, and other military equipment as well as complete installations, vehicles, oil products, ferrous and nonferrous metals, foodstuffs, chemical fertilizers, medicines, and other material.

Even taking the administration's case at face value—which I do not, except for purposes of argument—if the war in Vietnam is a confrontation between "Asian communism" and the free world, a confrontation that will determine not only the future of Asia but also the future of the United States—the battle is being fought in the worst possible place and at a place and under conditions of the enemy's choosing. And to carry this argument to its logical conclusion, if our real enemy is Communist China why do we not strike at the root of the problem? Are we unwilling to face up to the logical consequences of our policy, or do we suspect that there is a logical flaw in our argument?

I believe our leaders are mesmerized by mirages in Vietnam and that as a result they see national interests there where none exist. But this is only part of the tragedy of this quagmire war. The other part of the tragedy is that, mesmerized by mirages, we are unable to see where our real national interests lie.

It seems clear to me—it has for some time—that our real national interests lie in our present and future relations with the two other great powers in this world, the Soviet Union and China. What is the war in Vietnam doing to this fundamental national interest, to our relations with these two great powers?

Some believe that the war is bringing China and the Soviet Union closer together. The more sophisticated opinion is that the ideological differences between these two countries are so great that even an attack on a fellow Communist country has not been able to heal the breach—at least not yet, although I must say we seem to be working hard at it. But, unquestionably, the war in Vietnam is worsening our relations with both the Soviet Union and Communist China, and, I might add, with most of the rest of the world.

Let us debate our involvement in Vietnam, then, on a more rational basis than has thus far been the case, and perhaps we can then come to some national conclusion and true consensus as to just what we ought to do. Once we know what we ought to do and what we want to do, I, for one, believe our country has sufficient genius to find a honorable conclusion to this bloody war.

I have said that I am not persuaded that we have a "real" national interest in Vietnam; that the visions of containing Chinese expansion and deterring wars of national liberation are just that: visions, dreams. In any event, I do not believe we are containing Chinese military expansion in Vietnam. How could we be when we are fighting not a single Chinese but have engaged half a million men in fighting against 50,000 North Vietnamese and 250,000 South Vietnamese Vietcong—a task the 700,000 South Vietnamese forces are apparently unable to undertake. Are we teaching China a lesson for the future when 100,000 American boys have been killed or wounded

but not one Chinese has been scratched? Will this inhibit China from any desire to "overrun" her neighbors, as Secretary Rush has suggested? And, for that matter, is China now "overrunning" her neighbor, North Vietnam?

If there is no Chinese military expansion to contain, perhaps we are fighting in Vietnam to contain local grievances. Whether any individual war of national liberation, by this or any other name, succeeds or fails in this or any other particular instance, it seems to me that the danger of a local Communist insurrection will continue to threaten as long as the conditions exist which permit such a movement to arise, enable it to grow, and encourage it to succeed.

We are in Vietnam, in the words of Secretary Rusk, only now clearly stated, because it is in our "vital national interest" to be fighting there, and the enemy is China.

President Johnson and Secretary Rusk presumably believe that we are fighting in Asia against Chinese aggression. Secretary Rusk, at least, feels—at least his words indicate he so feels—that we must not let any of the arrangements made at the end of World War II, arrangements which we hoped would guarantee world stability, to be reversed or undone. Our "vital national interest," he feels, demands that we fight a land war in Asia to maintain this particular brand of stability.

But does it? Now we reach the heart of the matter. Are we required in defense of the United States, to send an army to fight jungle guerrillas in any part of the world threatened with an alteration of the status quo? Is this advisable? Is it possible? Is it truly in our national interest?

I think the answer to these questions must be a resounding "No." We cannot police the world. To attempt to do so, outside of our truly "vital" areas, is to court national disaster.

We must act in our true national interest. This is axiomatic. In a nationalistic world—and let me say that we live in a nationalistic world, in the Communist areas no less than in the "free" areas—all nation-states operate in ways considered by them to be in their own national interest. This has been so ever since there have been nation-states, and I daresay it will be so for many years to come.

But when any nation's leadership has a false conception of what is the true, vital, national interest, the nation is in trouble. This is the case now. We are in trouble. We are a deeply troubled people—a deeply divided people. Secretary Rusk evidently fears that this conception of the national interest will not be supported by the American people. For that reason, perhaps, we have, since 1961, witnessed the erection of this facade and camouflage, using vague slogans about "commitments" and generalizations about "freedom" and "aggression." These slogans have served only to confuse and give rise to unprecedented dissent.

President Johnson and Secretary Rusk seem to believe that our national interest is involved in the choice of a government for every country in the world. They have a right to hold such views. Others have

a right to differ. I do. And I challenge the validity of the position that somehow the United States is placed in mortal peril by what occurs in the jungles of Vietnam.

Surely it is in our interest to have a peaceful world. Surely it is in our interest to have a less militant brand of Russian communism. Surely it is in our interest to have a China which will give up its desire to dominate Asia. Surely it is in our interest to have a government in South Vietnam friendly to the United States.

But having said that, I have said nothing, really. These statements are virtual tautologies. But this is what President Johnson and Secretary Rusk appear to have been saying, and on such a basis they seek to justify U.S. involvement in a land war in Asia.

I think they are mistaken. There is no personal criticism here. I am undertaking as studiously as I can to examine the position with reason and logic and no personal animosity is involved in it whatsoever.

We do have real and vital national interests—and these we must defend with whatever force is required. In such a case, the requirement is its own justification. But our vital interests must be more narrowly defined than they have been thus far by the Johnson administration. They cannot encompass all countries, freedom everywhere, vague commitments to every country no matter how remote, how small, how backward, or where located. And, so far as I am concerned, they do not justify a major war against China at this time.

Above all, in narrowing down our interests, we must balance capabilities with desires.

This, I believe, is where this administration has been at fault. The hard lines have not been drawn. The priorities have not been kept clearly delineated. We have drifted into a major war on the basis of vague commitments and a general defense of freedom. But, above all, and most important to the public debate on Vietnam, the administration has misled itself and the public as to our real national interests and intentions.

If, as I contend, our national interests—and even our existence—are tied to the future of our relations with the Soviet Union and with Communist China, the question we must ask ourselves is how Vietnam is affecting these relations. As I have said, I believe that the war is causing our relations with both of these countries to deteriorate. We complain about, and fear, China's militancy as we once complained about, and feared, Russia's militancy. Yet Vietnam provides China with a target enabling Chinese leadership to be even more militant and obliging the Soviets to compete in a contest that can only do us harm. What is that contest in which China now challenges Russia? It is the great game of anti-Americanism.

Is it in our long-term national interest to facilitate this, to encourage this, to make it possible?

The war in Vietnam is thus reversing a trend in Soviet-American relations, a hopeful trend in terms of our future security and in terms of world stability. While our relations with the Soviet Union



brought shame on themselves—and shame on all of us if the world thinks that they represent America.

One commentator declared it "was difficult to repeat publicly the ugly and vulgar provocations of many of the militants. They spat upon some of the soldiers of the front line at the Pentagon and goaded them with the most vicious personal insults."

And these soldiers—thus vilified—might be your sons—obeying the command—serving at the post of duty.

What the post of duty means to a soldier—and to his father—is exemplified in a letter I had the honor to receive this past week.

Above all the headlines of hate—above all the mad marches of the misguided—above all the voices of violence—to turn from the spit-stained walls of the Pentagon to the beauty of this letter is to find a faith in America refreshed and renewed.

Mr. President, there is evident between the lines of a letter from a father's heart an exhortation of patriotism and pride in his fellow men. I am honored to read to the Senate this father's letter.

PROVIDENCE, R.I.,  
October 12, 1967.

DEAR SIR: First may I extend my sincere thanks for your assistance a year or more ago, when at that time, I asked your help in determining, due to an ear injury, whether my son a member of the United States Marine Corps, was fit for combat duty.

Mr. President, the next two paragraphs are complimentary to me. They are not pertinent to the point I wish to make and, therefore, I shall skip them and I shall now read the next paragraph:

It has been a good many months since you were of such tremendous help to me. I thought you might be interested in knowing that my son, this boy whom you did so much for, has just returned home to Providence on a 30 day leave.

He has volunteered to return to Viet Nam and leaves Providence on Nov. 4th to return directly to his outfit in the Third Marine Division where he has been stationed in the D.M.Z. for the past 15 months. He has been at the Marine outpost at Con Thien. He returned home with two Purple Hearts. The first time he was hit he was flown to the hospital ship Repose where he spent 35 days and then flown back to his outfit just below the border zone.

His second wound was from a poisoned bamboo stake which penetrated the sole of his shoe when he dropped into a hole the VC had set up with these poisoned stakes sticking up in the hole.

I am neither a Dove nor a Hawk, and must admit that I have been, and still am very confused as to our policies in Viet Nam. However one thing I am sure of, leaving aside our policies, I can now state that there is no doubt in my mind as to whether or not we should be there. After spending many long hours, late into the night, talking to my son, talking about all phases of Viet Nam I am firmly convinced that we have no choice—we belong there—we can't pull out. We have to see this through to the end.

I have given my only son to this cause, he has been returned to me for 30 short days, at the end of this leave he will return to Viet Nam. There is a very good possibility that we will never see him again. I think therefore I can speak with authority. I am convinced that he should go back. Just as I am sure that while we don't have a solution, we have got to keep going, there can be no wavering, there can be no indecision, we need neither Doves nor Hawks.

It is very easy for a person to get up on the floor of the Senate and criticize, but what constructive substitute is this person offering to help our cause? There is no one who has more at stake in this Viet Nam affair than I have.

I have a tremendous amount of respect for you, the President, and all the others who have the weight of responsibility for solving Viet Nam on their shoulders. There have been mistakes made in the past and there will certainly be more made in the future.

None of us are God, we are all from the President on down just human beings, who will make human mistakes, wrong judgments, and all the other weaknesses that make us human.

All we need is a firm determination that we are right, a united front, and a will to win, with these three simple things the more complicated solution to this Viet Nam problem will come in time. A return to the idea of my country right or wrong wouldn't be a bad start.

I only wish there was some way that I could get across to our vacillating country that our biggest enemy is not the V.C. or the Chinese, or the Russians. It is simply our own lack of determination, will to win, and whole hearted support of our President and our duly elected representatives.

Very truly yours,  
FREDERICK B. JOHNSON.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

The PRESIDING OFFICER (Mr. SPONG in the chair). The question is on agreeing to the first committee amendment.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, would the clerk restate the first committee amendment?

The PRESIDING OFFICER. The clerk will restate the first committee amendment.

The LEGISLATIVE CLERK. On page 1, line 5, after the word "thereof," strike out "November 23, 1967" and insert "November 15, 1967."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

#### AMENDMENT NO. 416

Mr. MUNDT. Mr. President, I call up my amendment and ask that the clerk read it for the information of the Senate.

The PRESIDING OFFICER. The clerk will first report the second committee amendment.

The LEGISLATIVE CLERK. Beginning on page 1, line 6, strike the following language:

And by adding the following language:  
"Provided further that for fiscal year 1968, unless hostilities in Viet Nam and Southeast Asia should cease earlier, Federal spending of appropriated funds except expenditures

from trust funds by each Department and Agency of government, including the Legislative and Judicial branches, except for military expenditures of the Department of Defense directly related to our involvement in Southeast Asia, including pay of all military personnel, the payment of interest on the National Debt, payments under the Social Security Act, veterans and other retirement benefits, medicare and old age assistance payments, shall not exceed the amount expended during fiscal year 1967, except that the limitation on the Department of Transportation shall not be more than 95 per centum of the Budgeted amount for 1968. Provided further that where deemed necessary to maintain mail service, the President is authorized to exempt the Post Office Department from the provisions of this Act; and provided further, should the President deem it necessary for collection of revenue, he is authorized to exempt, to the extent necessary, the Internal Revenue and Customs Services.

"Provided further that such reduction of expenditures insofar as practical may be made by stretching out the time schedule of performance and payment on contracts so as not to require the elimination of new construction starts, and by each Department and Agency not filling vacancies.

"Provided further, that net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968 shall not exceed \$131,500,000,000, except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia.

"Provided further, that appropriations made by Public Law 90-102, as amended, shall be available for activities budgeted under 'Office of Economic Opportunity, Economic Opportunity Program' at a rate not in excess of that which would be provided for by an appropriation of \$1,200,000,000 for the fiscal year ending June 30, 1968.

"SEC. . Obligations during the period by section 1 hereof for activities to be authorized by the Foreign Assistance Act of 1967 (S. 1872 or similar legislation) shall not exceed an annual rate of \$2,000,000,000 during the fiscal year ending June 30, 1968."

The PRESIDING OFFICER. The clerk will now state the amendment of the Senator from South Dakota.

The LEGISLATIVE CLERK. In lieu of the matter proposed to be stricken by the committee amendment on page 1, line 6, beginning with the word "and", insert the following:

SEC. 2. (a) Subsequent to the enactment into law during the first session of the Ninetieth Congress of the appropriation bills for fiscal year 1968, the executive branch is directed, subject to subsection (b), to reduce by at least 5 per centum each line item appropriation (other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control) contained in such bills.

(b) In order to provide for the most effective use of appropriations reduced in accordance with subsection (a), the President may make such transfers between appropriation accounts as may be necessary, but no such transfer shall cause any item of appropriation to be increased to an amount in excess of the amount provided in the appropriation bill.

Mr. MUNDT. Mr. President, as I said in the Senate yesterday, in discussing in detail the amendment which I mentioned I would offer today, the purport of my amendment is simply to add to the continuing resolution, in which we have just agreed now to the date in November, a meaningful manifestation and an effective effort to associate the Senate of the United States with the House of Representatives in its efforts



to bring about economy in this period of perilous inflation. So my amendment would mean, in addition to extending the date to shortly before Thanksgiving, that we would also include instructions to the President that we want a 5-percent cut in appropriations of those controllable expenditures which are listed in the committee report and in the hearings, and where it is possible to bring about these economies.

In order to be abundantly sure that this is done in an effective and efficient manner, it provides, in the second paragraph, that the President shall have the right to exercise limited transferability; so that if there is, in his opinion, and on the basis of information provided by his expert advisers, certain particular line items which could not be cut by 5 percent without damage to our national security, such as the FBI, for example, or which would do damage, perhaps, to a situation such as we confront with the constantly increasing number of veterans being handled by the Veterans' Administration, a lesser cut, or no cut at all, could be made in those areas, and a larger cut in other areas where economies can be very definitely implemented. So that the overall picture is a 5-percent cut, as against a basic factor of \$38 billion to \$40 billion in controllable expenditures. This would mean that we would instruct the White House to bring about a further cutback of \$1.9 billion or \$2 billion, as against the appropriation levels passed by the Congress of the United States.

In brief, this amendment offers the Senate an opportunity to join with the House in an effective effort to bring about some order in our fiscal policies, which everybody now realizes have gotten so far out of hand that we face the necessity, as the Senator from Delaware [Mr. WILLIAMS] has said so eloquently this afternoon, of having to pass a big tax surcharge. Even with that, the tax money so raised would amount to only as much as my amendment would permit to be saved, when we totalize it in terms of economy effectuated by the Congress.

Mr. President, if conditions are bad enough to justify increases in taxes, they are bad enough to justify some economies being implemented by this Congress first; and if we did both, we would be bringing about a situation providing perhaps \$12 billion in a saving of expenditures as against a \$26 billion projected deficit for this fiscal year. So we would still be well over 50 percent beyond the anticipated deficit which the President of the United States announced was going to be the result of his budget when he gave us his budgetary message last January and told us we would confront only an \$8 billion deficit.

I believe the country wants, and it is very obvious because of its action that the House wants, and I think the Senate should want, this particular Congress to do something to meet these challenges. I think we ought to have less spending, and I think the country wants less spending, less deficit spending, in this era of war. I think we ought to provide action to create less inflation. I think that is imperative if we are not to impose upon

the poor people of this country, and those with fixed incomes, the elderly, and those on the farms and ranches who have little protection against it, what the President has rightfully called the cruelest tax of all—the tax of inflation—because the effect of inflation is exactly like that of a tax increase. It reduces the purchasing power of the householder. It reduces the purchasing power of every citizen of this country precisely as though a national sales tax had been imposed, to reduce the capacity of his earning power and his resources to supply the needs of his family.

Mr. President, I think the country is tired—just dog tired—of this Congress and this administration following any longer the hypocritical theory which originated with Harry Hopkins when he said they were proposing to spend and spend and spend and tax and tax and tax. I thought we had had enough of that Harry Hopkins era, but we are right back to it again, and somebody has to break this logjam.

I think the country is sick and tired of this buckpassing between the President and the Congress. My proposal involves a joint effort. It is—I repeat—a good faith amendment. If we are to bring about any economies, we will not get them by Congress begging the President to tell us what economies he is going to bring about before we pass a tax bill. We are not going to bring economies about by having the President say, "Pass a tax bill and, some day, I will surprise you by telling you how I will effectuate some economies." We have had this stalemate for over a month. The time has come to break it and get action. This is a joint effort; this is a cooperative effort; this is not a buckpassing effort. This tests the sincerity of the White House, as it tests the sincerity of the Congress. Do we want to economize or do we simply want to talk about it some more with happy and pious and meaningless phrases?

The statistics are about as follows. The Congress has economized to the extent of about \$2 billion on the appropriation bills which we have thus far enacted, which means that we have given the President about \$2 billion less than he requested. That is an economy brought about by congressional action. On the remaining appropriation bills that are in conference or that have not yet been enacted, it is hoped we can save another \$2 billion or perhaps \$3 billion. This means that we expect to reduce the Presidential requests by a total effort of from \$4 to \$5 billion.

By this amendment we will slash back from controllable expenditures approximately another \$2 billion. So we will wind up with a total congressional saving, if my amendment is adopted, as against the budgetary requests of the President, of between \$6 and \$7 billion. That is almost the precise amount the President says he will get by taking it away from the taxpayers with a 10-percent surtax, if Congress makes it possible for him to do so.

I think the Senator from Delaware [Mr. WILLIAMS] makes good sense when he says we may have to do more than recognize the \$2 billion we have saved,

the \$2 to \$3 billion we would expect to save, in the remaining appropriation bills, and the \$2 billion to be saved by the Mundt amendment. We may still face a tax bill and the necessity of passing one, because the fires of inflation are burning hotter every day. Pick up any newspaper; ask any financial economist. This country is flirting with financial disaster while Congress and the President engage in meaningless buckpassing and counteraccusations as to who should initiate economy.

The House has met that challenge. The House has proposed to cut out an amount roughly estimated to be \$7 billion by adopting an amendment the ramifications of which nobody can define accurately.

The testimony before the Senate Committee on Appropriations is in the hearings. As I said yesterday, I hope every Senator will read the hearings before he votes on these decisions, because the hearings are a small package of about 85 pages. The most meaningful discussions begin at page 49 and end at page 73. What occurred prior to that was merely the old drama of buckpassing.

Director Schultze was saying, "You can not economize in this way; you can not economize in that way. You can not take that course of action. The House action is wrong here; it is dangerous there, it is discriminatory there."

Finally, I said, "Mr. Director, we have been listening for 2 days to the dirge of 'do nothing.' Do you or do you not believe that the Nation faces a financial crisis?"

He said, "Yes," because he is an honest man.

I said, "Look ahead. Let us throw away the big, composite basket of nyets and noes and try to find some way in which we can light a little candle in the darkness and move down the road to economy."

We had the able assistance of the Senator from Rhode Island [Mr. PASTORE]. His questions are in the hearings. He induced the Director of the Budget, finally, to list the items, the agencies, the activities, and the functions of the bureaus and departments of the Government which have a total of almost \$40 billion which is controllable by reductions; where there are no fixed charges; where there would be no effect on veterans' pensions or interest on the national debt; but on which we can work and as to which we can tailor some kind of economy measure.

So I urge my fellow Senators not to delay longer. This is almost the end of October. We have been talking about economy for more than 10 months. Now we have a chance to do something specific about it. The era of conversation should be past, and the period of action should be here.

I do not think it is the proper approach to take the House action per se, and lock up in conference with no flexibility and no right of review a \$7 billion cut spontaneously initiated on the floor of the House of Representatives. My proposal will give us some flexibility of action.

It will provide an opportunity for review and careful analysis. We will put



the Senate of the United States on record in favor of economy, just as the House has been put on record, and will take to conference those messages from both Houses. We will meet in the old U.S. Supreme Court Chamber. We will have the whole picture before us. We will have the record of definite action by the House membership before us. We will have the recommendation of the House Appropriations Committee, which was another approach to a cut, before us. We will have this proposed amendment before us, and, within the broad boundaries of those limitations on the conference committee, we will have just one simple directive: "When you come back, do not come back with just a continuing resolution that says 'Mr. Taxpayer, we ducked the issue, we delayed the decision; we do not want to face up to the facts.' Come back with some economies included."

We will be under a mandate from both Houses of Congress saying, "Do something about some economy. Do not wait until November 15, when it is too late to make any appropriate deductions, to make that decision which you should make now, but sit there in conference until you come up with a continuation resolution which has some meaningful words in terms of reducing Federal expenditures."

I think that one big merit of my approach is that it does not lock any doors. It does not freeze anything into a fixed formula. It enables us to bring in the Director of the Budget, the Comptroller General, and the heads of agencies, and search out some places where we can make cuts with the least pain and agony to the public and the country generally and which are most conducive to the public interest.

I am not saying we can make cuts that nobody will oppose, or that we can expect to find some happy places where we have been so reckless in our expenditures that we can save a couple of billion dollars completely painlessly. But we have to have a priority list. We begged and pleaded and tried as hard as we could to persuade the Director of the Budget to suggest some priorities, and we were unsuccessful.

But my amendment provides complete flexibility of action. We can rewrite the approach; we can fix the amounts; we can expand or decrease the limit of transferability; we can raise or decrease the economy percentages; we can take the House amendment; we can take the amendment of the House Appropriations Committee; or we can take the Mundt amendment but we cannot come back and say, "No our colleagues of the House and the Senate, we have ignored your mandate for economy and we are just going to keep on spending." For there will be a mandate from both Houses to economize.

So my amendment, first of all, puts a mandate on the U.S. Senate for some belt tightening.

Second, Mr. President, I am not going to vote simply for a continuing resolution, even if I am the only Senator to vote "No," because to do that is to repudiate and reject the House of Representatives, which, by a majority of 110

votes, said, "We want some major economies"; and they enacted it into their bill and sent it over to us. I shall not be among those who would say to our colleagues in the House of Representatives, "You do not know what you are talking about, saying. That is an old fashioned notion. What do you mean by passing something to save some money?"

I salute the House Members for their effort. I applaud them for the diligence with which they approached the problem. I think there are some errors in their approach. We should approach the matter with the greatest degree of skill and efficiency possible. But I am not going to repudiate their efforts to bring about some economy by saying, "Oh, no, we in the Senate say, 'Just continue the resolution to November 15 and go on record as asking for no economy at all.'" Count me out when that rollcall comes. I will be voting a perhaps very lonely "No."

Third, this gives the Senate a positive approach, a positive formula for action, rather than continuing a do-nothing attitude of negativism, whereby we simply postpone and defer decisions which we actually should have been making 2 months ago, if not 4 months ago. We have run out of waiting time; because we are approaching the end of this session of Congress and of this calendar year.

I point out again that this amendment would provide us with latitude, in conjunction with a directive of both Houses of Congress to meet in conference and bring back to both Houses for further consideration the approach recommended by the conference for economizing in this particular session of Congress, and with this particular budget.

Mr. President, if the Senate has the will to economize—and I do not know; I have heard the speeches, but I suppose we are going to have to test it with a vote—but if the Senate has the will, this is a way. I am talking only about the Mundt amendment. I am talking about the fact that we will have placed before this council of our elders, the ranking members of the Appropriations Committees of the Senate and the House of Representatives, meeting in conference together, a mandate to cut back on expenditures now.

That is the way. I repeat, if we have the will, this is the way; this is the place; and now is the hour. Let no one delude himself into saying, "I will just vote for a continuing resolution now, as I did in October and as I did in September, and then maybe just before Thanksgiving Day, we can settle the whole thing on some sunny afternoon."

That cannot be done. It will take some time. It takes time to establish priorities. It takes time to study and rationalize the differences between the two Houses. So above all, I hope we do not duck the issue this time when we vote today or tomorrow.

Some criticisms of my amendment have been raised, Mr. President. I share in the criticism. It is not a perfect approach. I suppose one reason why, at this late hour, we are still scrounging around trying to find the answer is that there are no perfect approaches. A lot of good men and true have been working on the problem, planning on it, and trying out

amendments; but there is no perfect way to reduce expenditures. There is no painless way.

But it can be done, with prudence. It can be done, with skill. It can be done, after careful examination—if we have got the will to do it. We cannot do it by delaying the decision to November 15 or some other magic date.

If some Senator comes up with some other proposal, during the course of the debate, which will supplement mine, or improve it and help to accomplish the objective with prudence, efficiency, and effectiveness, I shall support that proposal. My amendment, I am convinced, would be a move in the correct direction.

Some have said, "Ah, this is a Presidential item veto." They recall speeches that I have made on the floor of the Senate against the item veto by the President.

I am against the concept of a Presidential item veto. I opposed it when President Eisenhower suggested it. I oppose it now. I opposed it for 10 years in the House of Representatives, and have opposed it for 19 years in the Senate. I shall continue to oppose it is a *modus operandi* for financing the Government in ordinary times and as permanent prevailing policy.

But we face an emergency. Make no mistake about that. I oppose appropriating great amounts of money for military events which do not occur. But when we are in a war, I vote for the appropriations and support them, just as I shall vote to meet this emergency on the home front as it confronts us here and now.

Mr. President, for those who are leery about the fact that our old Senate colleague, President Johnson, is going to single out some of those who vote for economy now and say: "All right. You asked for it. Here it is—all in your State, all on your project, all on those special programs with which you are associated."

I said yesterday and repeat now—Republican partisan though I am—that I do not believe President Lyndon Johnson would play ball that way. I do not think he would engage in that practice. I do not think he would try to victimize those who are concerned that if they vote for economy they will lose something for their State. I believe he would not stoop to such tactics. He might, and he could, of course. But woe and alas I discovered that he can do it anyhow. He can do it now.

I am going to put in the CONGRESSIONAL RECORD at this juncture an extract from Public Law 759 of the 81st Congress, enacted in 1951, at which time we gave the President the right to exercise essentially an item veto in connection with mandates of economy which we directed to him.

The President has been exercising it at times. We have not all agreed with the decisions he has made. Some have complained that he does not have the constitutional right. I do not know about the constitutional right, but he has the legislative right because we gave it to him.

The Senate can reject my amendment unanimously, but it would not by such action take away that right. If somebody wants to repeal that law, let him speak up now and advocate it. Otherwise my



amendment would neither decrease or increase his power over our appropriations.

If rescission of that power is advocated in normal financial times, I will join in the advocacy of such a proposal. I doubt that I would vote to repeal now this concession which we have made because of the perils we are today confronting on the fiscal front.

It is under the apportionment process. Let me read it.

Generally speaking, all appropriated funds must be apportioned to the Bureau of the Budget before they are available for obligation by the agency to which appropriated.

Section 665(c)(1) of title 31 of the United States Code provides:

Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period; and all appropriations or funds not limited to a definite period of time, . . . , shall be so apportioned as to achieve the most effective and economical use thereof.

And we added a new paragraph reading:

In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible, . . .

It is through this procedure that the executive department exercises control over appropriations granted by the Congress.

We are all familiar with the Presidential withholding of funds and delaying of funds and postponement of funds which have been appropriated. So, I submit that while reference is often made to the constitutional aspects with respect to the exclusive right of the Executive to make use of the appropriations granted by Congress, there is statutory authority cited by the statute. So it is no longer necessary to resort to a constitutional argument, at least until such time as Congress decides to repeal the authority which we have freely and meticulously conveyed, and it is a part of the law today and has been since 1951.

If some Senators are still skeptical, if they are still worriers about the fact that if they vote for economy, they will lose an apple off a tree in their own backyard, let me point out that even then Congress has not surrendered its weapon.

Suppose the President should do that—which I am sure he will not do—in a vindictive spirit, to try to penalize especially those who advocate economy. Would that leave us powerless? It would not.

The last bill we will pass, Mr. President, before we adjourn—if we ever do adjourn this year—will probably be the final supplemental appropriation bill. Usually, it keeps us here until 2 or 3 o'clock in the morning because it is the last thing that comes up.

If the President should unwisely and unfairly and unnecessarily or vindictively slash some appropriation which should not be slashed, the same Congress that giveth is the Congress that can taketh away. And we can shore up that appropriation with a supplemental at that time.

If the President were to do this after we had adjourned—when we do adjourn, late in November or some time in December in time for New Year's Eve, or whenever it is—one of the first bills that we would pass in 1968 would be a supplemental appropriation bill for the new year, and we can correct the situation then.

So, I say to my friends that they should not worry about this. This is a good-faith amendment. This is a fair-play amendment. This is not trying to slip a Mickey Finn to the President. It is not trying to gain any advantage for Congress. It does not expand the existing Executive authority.

It merely states that working in harness under this kind of approach we can do something to save the taxpayers some money. Perhaps we can stop the tremendous drive toward inflation. Maybe we can provide for a delay in the institution of a tax bill. I do not know. That is a matter for the Finance Committee to decide. But my amendment provides for a cooperative effort.

There is not any way that the President can take advantage of this Congress even though he has this amendment and the directed authority outlined in it. The authority has been there now for 16 years.

Presidents have tried once or twice to stop certain activities of Congress by the exercise of a strong Executive arm, and Congress has changed their opinion and made different decisions. We can do it again. We still control the purse.

Mr. President, I call attention to the fact that some of the news stories and editorial comments which I read about the U.S. Senate disturb me because I would hate to think they are true. I cannot believe they are true. But they picture us as a body of spenders engaged in squandermania. They do not realize that when the House passes a bill and it comes here several months later, new authorizations have been added and new conditions have arisen and we frequently have to add more money.

It has been said on the other side of the Capitol: "The Senate is the Upper House. We in the House economize, and the Senators load on extra expenditures." It is not true. But this time we confront a challenge which might make it ring pretty true and might in fact make it true since they took this courageous step—and it was not easy in the House—but they made this meritorious effort to economize and in return we say: "Forget it. We laugh at you. We are just going to continue in the merry old way we have been going." I suspect that the editorials and the comments will get worse if we are guilty of such evasion and inaction.

Here is a UPI story. It says:

The Senate Appropriations Committee junked a House-passed economy ultimatum to President Johnson Friday and approved a simple extension of spending authority for fundless government agencies.

I do not know whether we junked it. It was turned down with four dissenting votes. We failed, but we tried to tie in an alternative proposal. We lost the first time on a 10-to-10 tie vote. We lost the second time by a vote of 14 to 8. But I do not want to have the United

States Senate plead guilty to the fact that if we now do nothing at all we are junking an economy effort made by the House.

Perhaps we can modify it. Perhaps we can improve it. Perhaps we can alter it. But I pray you, let us not junk it. At least, we are not guilty, I hope, of that particular definition of junketeria.

Second, here is an editorial from the Sunbury Daily Item of Sunbury, Pa. It is typical of a good many which have come to my desk in recent days.

I am not sure where Sunbury, Pa., is, but I am sure this is a well-read newspaper published in a fine American community.

It starts out by discussing the financial situation of this country and the various proposals. It then quotes our distinguished colleagues, the senior Senator from Delaware, as say: "Never before in history has any man in the White House said so much about economy and done so little about it."

If the Senator from Delaware said it, it must be true. But if we here in the Senate do nothing about this now, the editorial can change a couple of words and say: "Never before in the history of this country has the U.S. Senate talked so much about economy and done so little about it." I should hate to have that happen but if it is true of one, it is true of the other. This is the test.

I ask unanimous consent that the UPI story and the editorial from the Sunbury Daily Item be printed at this point in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

#### SENATE PANEL KILLS BUDGET ULTIMATUM

WASHINGTON.—The Senate Appropriations Committee junked a House-passed economy ultimatum to President Johnson Friday and approved a simple extension of spending authority for fundless government agencies.

However, the action came after a 10-10 tie vote defeated a proposal for five percent across-the-board cuts. In line with the House demand, it would have forced spending cuts of about \$1 billion in the current fiscal year.

The five-percent proposal, aimed at \$38 billion worth of programs where government spending is not locked in by legal requirements, was offered by Sen. Karl E. Mundt, R-S.D. Committee Republicans said they will try again when the Senate considers the stop-gap appropriation legislation next week.

The extension of spending authority for government agencies to Nov. 15 was finally approved 16 to 4. No vote was taken on the House-approved economy action which would make it mandatory to hold non-Vietnam spending to last year's levels.

[From the Sunbury (Pa.) Daily Item,  
Oct. 10, 1967]

#### THOUGHTS IN PASSING

Honest confession is good for the soul, but there is no apparent inclination on the part of the Johnson administration to humbly acknowledge that reckless, at times witless spending has gotten out of control.

Why a proposed reduction of \$5 billion in proposed expenditures of \$135 billion during the fiscal year has created such agony and led to such palpable evasion of responsibility is not readily understood by the average citizen. A householder with an allotment of \$135 who could not readily find ways of economizing to the extent of \$5 would be considered inept. The great difference between those who loosely handle the public's money and those who spend what is left to



them after tax grabs is that the former considers the sky the limit and the average citizen knows from harsh experience that he cannot endlessly permit outgo to exceed income—that always there comes a day of reckoning.

The shocking record of the Johnson administration recently cited by Senator John J. Williams of Delaware, involves deficit spending in the amount of \$60 billion during the past five years, notwithstanding the fact that budget levels have gone up and up and up. This means an average expenditure of more than \$50 million a day over and above tax receipts. Also interest charges on this added debt amounts to \$3 billion a year which requires three per cent across-the-board in income taxes, or nearly one third of the ten per cent tax boost now sought of Congress. Even so, the national debt pyramid, now at the \$334 billion level, is in for another elevation due to another projected deficit—at least \$29 billion unless the Johnson demand for a 10 per cent tax hike is granted.

Ways of reducing federal spending are numerous, but wielding the meat axe has political implications that both the White House and the Congress shun like the plague. In this hiatus savings of only \$2.86 billion have been toted up by the House Appropriations Committee and the painful quest drags on. Action Wednesday night for a \$7 billion cut, the President to do the paring, is one more abdication of responsibility.

As Senator Williams says, "Never before in history has any man in the White House said so much about economy and done so little about it." Typical was the promise Mr. Johnson made in December, 1965 to reduce federal payrolls by 25,000, followed in the next seven months by the addition of 187,506 jobholders. Also there was the recommended elimination of certain excise taxes in January, 1966, followed two weeks later by reinstatement of those levies.

As the people grow poorer under the double pressure of taxation and inflation produced by spendthrift policies, honest confession is the point of beginning for what the nation needs.

Mr. MUNDT. Mr. President, I shall desist now, with the determination to resume if anything is to be gained by debating the matter further; but I desist with one repetitious plea: I hope Senators will read the RECORD. I hope Senators will read the painful procedures by which it was finally possible to evolve a percentage formula for bringing about some economy. Those who live in the optimistic opinion that we can just duck the issue now and meet it again on November 15, when much of the money will have been spent, should read what Director Schultze said about the long and tortuous process of arriving at a priority list.

It took me a half hour or 45 minutes to get him to agree at all that it could ever be done, and then he calculated the time in periods of weeks that it would take, and they would have to know the entire financial picture at the time they began, and then once again relay to Congress any recommendations they might make. But time will not wait—we cannot stop the calendar. That process would take us deep into 1968 before decision time arrives again.

This is salutary reading. I believe every Senator should read the RECORD of this debate and the hearings before he makes up his mind on the issues now before the Senate.

Mr. President, reserving the right to resume, I now yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I agree completely with the Senator from South Dakota that the Senate does have a responsibility to demonstrate not only to itself and the House of Representatives but also to the country that we, too, recognize the seriousness of our fiscal situation and are willing to do something about it.

As I understand the amendment of the Senator from South Dakota it would reduce the appropriations by \$1.8 billion. Is my understanding correct?

Mr. MUNDT. The Senator's understanding is reasonably accurate. It is a sort of flexible figure which can vary, depending upon what we do with the remaining appropriations bill, but it will save between \$1.8 billion and \$2 billion.

Mr. WILLIAMS of Delaware. That is my understanding.

The original resolution as passed by the House proposed a reduction in expenditures of \$6,820,000,000. If we accept the amendment of the Senator from South Dakota and reject the House amendment we would reduce expenditures by \$1.8 billion rather than \$6.8 billion.

Mr. MUNDT. Mr. President, will the Senator yield for a correction?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. It would not mean that. It would mean that we had proposed an alternative approach to economy which would effectuate from \$1.8 billion to \$2 billion of economy now, but in conference would also be the \$6.8 billion proposal of the House. And I presume that some place between the two, after careful examination of all the facts, would be the point of compromise and agreement which we would bring back to the Senate.

Mr. WILLIAMS of Delaware. Conceivably, they could bring back the complete text of the House proposal, or, conceivably, they could accept only the amendment agreed to by the Senate.

Mr. MUNDT. Or any place between.

Mr. WILLIAMS of Delaware. Or any place between, as the Senator points out.

The Mundt amendment is a step in the right direction, but I question that it goes far enough. I believe we have reached the point at which we will have to cut these appropriations until it hurts each of us by eliminating projects in our respective States. We cannot escape that situation if we really want to reduce expenditures.

As I pointed out today, in earlier action on 13 appropriation bills the Senate has added a total of \$4,055,148,620 of spending money over and above that which was approved by the House of Representatives, and these same bills as passed by the Senate were \$3,175,648,998 above the appropriations for these same agencies in 1967.

It is true that they were somewhat below the 1968 budget requests. The pending Mundt amendment would reduce this amount by \$1.8 billion, but I believe we will have to go further than this if we

are to avoid a painful tax increase or if we want to check this inflationary threat.

On September 26, 1967, Representative Bow introduced his proposal which would have accounted for a reduction of \$5 billion in spending authority for fiscal 1968. I will read his first resolution:

Notwithstanding any other provision of law, net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968 shall not exceed \$131,500,000,000; except by those Department of Defense expenditures beyond \$72,300,000,000 for military purposes that the President may determine are necessary.

Continuing, the second section provides for a rescission of the \$5-billion obligational authority which would result from this reduction in expenditures.

The Bow amendment, as proposed on that date, would have provided for a reduction in expenditures of approximately \$5 billion. The same proposal or a similar one was included in the pending resolution as it was passed by the House. This original Bow amendment had been amended on the floor of the House to bring the total reduction to \$6.8 billion.

We now have a parliamentary situation in which if the Senate supports the Mundt amendment, with its proposed cut of \$1.8 billion, it would strike out the proposal of the House and send the bill to conference with a cut of only \$1.8 billion.

This is a difference of about \$5 billion; however, if the Senate will attach the Bow amendment to the Mundt amendment it would then mean that the Senate would be on record in favor of reducing the 1968 expenditures by around \$6.8 billion, or about the same amount as approved by the House of Representatives.

The Senate prides itself upon being recognized as the Upper House, but let us not make that title symbolic of the Senate's "upping" of expenditures. Thus far the Senate has a poor record in this Congress when it comes to reducing expenditures; this is a chance for us to redeem ourselves.

I believe that we should add the Bow amendment to this pending proposal and demonstrate that the Senate, likewise, is willing to cut expenditures. Why pass this responsibility on to the conferees or the House of Representatives? Let us accept it right here.

I realize, as the Senator from South Dakota has pointed out, that we are conferring upon the President certain discretionary power over where these cuts will be made. I regret the necessity for doing this, but we have no choice. We are now in the position where most of the appropriation bills have cleared the Senate and are in conference. This may be our last chance.

Therefore, I suggest that we amend the amendment offered by the Senator from South Dakota to include the original Bow amendment, as introduced on September 26. This proposal was approved by the House by an overwhelming vote. Its adoption would provide for an additional reduction in expenditures of \$5 billion. If we add this proposal to the Mundt amendment we would then go to conference with a proposal calling for a reduction of \$6.8 billion.



This is just about the same amount as the reduction approved by the House.

This is the Senate's chance to tell the country that we really intend to check these ever-increasing expenditures.

It should be pointed out that if we accept the Bow amendment, which I shall offer, spending in fiscal 1968 would be reduced not to exceed \$131.5 billion. The expenditures in fiscal 1967 were approximately \$126.5 billion. This means that while there would be a saving of around \$5 billion, at the same time the administration could still spend \$5 billion more than it spent last year. This would certainly provide leeway enough.

In addition, the amendment provides an exception that if Department of Defense expenditures go beyond \$72.3 billion for military purposes and the President determines it is necessary to increase such expenditures he will have the authority to do so. There would not be a ceiling on expenditures necessary to finance the Vietnam war. That is true also of the amendment of the Senator from South Dakota [Mr. MUNDT].

If this amendment is approved, however, as an addition to the Mundt amendment it would reduce expenditures by a total of between \$6.5 billion and \$7 billion. By so doing, we would demonstrate to the country that we are making a bona fide effort to roll back expenditures before we act on a tax bill.

I do not think there is any question but that the Senate will have to face up to the responsibility of making a decision on taxes before Congress adjourns. At least, we should face up to such a decision and decide the question, either affirmatively or negatively. Earlier this afternoon I discussed the reasons why I thought such action was necessary, so I shall not labor the Senate further on that point now.

Mr. President, I offer the amendment which I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. WILLIAMS] proposes an amendment, at the end of the language proposed to be inserted by the Senator from South Dakota [Mr. MUNDT], to insert the following:

"SEC. 105. Notwithstanding any other provision of law, net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968 shall not exceed \$131,500,000,000; except by those Department of Defense expenditures beyond \$72,300,000,000 for military purposes that the President may determine are necessary.

"SEC. 106. Not later than ten days after the last day of the first session of the Ninetieth Congress, estimated administrative budget expenditures for the fiscal year ending June 30, 1968 shall be reduced, through the apportionment process, by \$5,000,000,000 (the difference between currently anticipated administrative budget expenditures for fiscal year 1968 of \$136,500,000,000 and \$131,500,000,000). Obligational authority in an amount equal to the \$5,000,000,000 reduction in expenditures shall no longer remain available, and such sum shall be covered into the Treasury."

Mr. WILLIAMS of Delaware. Mr. President, this is identical to the Bow amendment as introduced on September 20,

1967, and it would provide for an additional \$5 billion reduction in expenditures for 1968. This is in line with the action taken last week by the House.

I am willing that there be a vote, and, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, it does not seem to me that we are going to enhance the stature of the Senate very much if we have a vote on an unwritten amendment of this magnitude and complexity without having a chance to examine it in print; nor do I think we are really measuring up to our statute if we vote on either of these amendments until they have been discussed before at least more than a dozen Senators. More than twice as many as have heard this debate discussed the matter in the Committee on Appropriations. We have perhaps a dozen Senators in the Chamber and most of those who are now present are members of the Committee on Appropriations. I do not think Senators should make up their minds on this issue by perhaps flipping nickels as they come over to the Chamber from their offices.

Before voting on an item that has not been printed, and that involves the entire financial structure of the Government, I urge that we cease and desist until tomorrow, and then the amendment will be printed, and we could hopefully have at least one-third of the Senators present to determine what we can best do to avoid bankruptcy. I do not want to vote today until Senators have had a chance to read the RECORD. This is not fair to them, and this is not fair to future generations of taxpayers in this country.

Mr. WILLIAMS of Delaware. Mr. President, I have no objection to this amendment's being carried over until tomorrow. I point out, however, that this is not a new proposal. It is identical to that made by Representative Bow on September 20, which proposal later passed the House of Representatives by an overwhelming vote. It is a part of the pending resolution, House Joint Resolution 888, which is presently before the Senate and which was considered by the Committee on Appropriations. Hearings were held. My amendment would carry out exactly that part of the Bow amendment which is included in House Joint Resolution 888 but which would be stricken by the Mundt amendment.

The amendment which I am introducing does not include the Whitten amendment which was added on the floor in the House of Representatives. This is the Bow amendment which is referred to in the printed hearings which are on the desk of every Senator.

There is nothing new in this proposal. It just puts the Senate in a parliamentary situation whereby we can get a direct vote on the proposal passed by the House of Representatives last week.

AMENDMENT NO. 422

Mr. ALLOTT. Mr. President, I do not wish to detain the Senate, but I want to send to the desk an amendment and to have it printed—and I may desire to call

it up tomorrow—which is somewhat similar to the Williams amendment but not subject, perhaps, to some of the technical differences which may exist.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. ALLOTT. Mr. President, frankly, I think there is a great deal to support what the Senator from South Dakota has said at the moment. Many of us came to the Chamber earlier this afternoon and we were prepared to proceed on this matter and to stay on the matter all afternoon. We immediately got involved in one speech that was pertinent and another speech that was not pertinent to the business at hand.

Having spent a great many hours in the Committee on Appropriations these last few weeks with both the majority party and the minority party on this matter, I think that is one of the gravest matters concerning us.

Frankly, I am concerned about some of the implications of the Mundt amendment, but I am just as concerned about the resolution as it is reported from the Committee on Appropriations because after receiving from the House a resolution which I believe in its actual and practical aspects is unworkable, but nevertheless exhibiting on the part of the House a desire to confront themselves with the very critical fiscal situation in this country, I think this matter needs a good deal of airing and explanation.

I returned to my office this afternoon when we got into these extraneous matters and I became involved with some matters touching my constituents and I did not get back to the Senate Chamber even in time to hear the statement of the Senator from South Dakota.

However, I personally feel that the Senate would be subject to a great deal of dereliction if we sent to the House of Representatives a continuing resolution after their great effort over there to show their concern with the fiscal situation in this country, even though we modify that resolution and put in the date November 15 instead of November 23.

Now, the Senate has to face its responsibilities. I have a great deal of discussion which I may want to contribute to this matter also with respect to our fiscal situation. I would like to make an inquiry of the Senator from West Virginia, the acting majority leader, as to whether he is willing that at this time this matter do go over until tomorrow.

Frankly, it is a matter of great inconvenience to me. There is a very important meeting which begins tomorrow evening in Colorado involving my party and involving all 11 Western States. I was expected to be there with some other Senators and it is a matter of great inconvenience, but also this is a matter of great importance.

I would like to inquire of the acting majority leader what his intentions are. If we have to vote on this matter now we will do it.

Mr. BYRD of West Virginia. In response to the distinguished Senator from Colorado I wish to say in view of the statement made by the distinguished senior Senator from South Dakota to



the effect that he does not want to have a vote this afternoon either on his amendment or on a perfecting amendment, I am trying at the moment to work out some agreement between the two, and then I should like to consult with the majority leader.

Mr. ALLOTT. Mr. President, that being the situation, I ask unanimous consent that I may suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, my understanding is that an agreement is now being worked out between the majority leader and the other Members; therefore, under those circumstances, I yield the floor.

Mr. TYDINGS. I thank the distinguished Senator from Colorado very much for his generosity and courtesy.

#### CONFEREES ON HEW APPROPRIATIONS SHOULD INSIST ON SENATE POSITION ON BELTSVILLE FDA SITE IN LIGHT OF HOUSE GOVERNMENT OPERATIONS COMMITTEE REPORT

Mr. TYDINGS. Mr. President, I appeal today to the conferees on Labor-HEW appropriations to reopen in conference the question of the site for the proposed new Food and Drug Administration Laboratory. This laboratory building should be located in Beltsville, Md.

I make this request of Senate conferees and House conferees in light of the scathing criticism of FDA procedures in this matter made by the House Committee on Government Operations last Friday.

I referred to this House committee report yesterday in the Senate (page S 15112). This respected House committee, after a careful study of FDA procedures and the history of this question, has issued a devastating case against the restriction inserted in the appropriation bill by the House to prevent location of the facility at Beltsville and, in effect, force its location in Madison, Wis.

Senators will recall that the Senate Appropriations Committee and the Senate rejected this House language and the Senate confirmed that judgment.

Mr. President, the fact is that the Beltsville site is the most economical one and the original FDA cost study showed it would be at least 5.4 million dollars cheaper to build it at Beltsville. It is no secret that the pressure behind the House Appropriations Committee action to force location of the facility at the more costly site in Wisconsin is a minority member of that committee from Wisconsin.

Mr. President, is not this situation one of remarkable paradox? The minority member on the one hand claims to be leading a fight for economy, but on the other hand he uses his position in the Appropriations Committee to force location of the FDA laboratory in his State at a severely greater cost to the taxpayers.

It may offend the rules of this body to suggest inconsistency or bad faith on the part of a Member of the other body, so I will not make such comments. Nevertheless, the facts do have a peculiar ring.

I ask the conferees to reopen this question because the House Government Operations Committee report makes an overwhelming case that FDA selected the Madison site as an alternative—and I quote the House committee report—"without an adequate study and without complying with HEW site selection regulations."

Moreover, the House committee report states that during hearings on FDA's appropriation in this matter:

FDA witnesses did not mention the disadvantages the agency had previously stated would result from location of Headquarters Laboratory No. 2 in the Midwest.

Mr. President, in other words, FDA witnesses withheld pertinent information from the House Appropriations Committee. The House report goes on to say:

In fact the attitude expressed by FDA was completely inconsistent with its previously stated position.

The report states:

No mention was made of FDA's own estimate that the alternative site would substantially increase initial and operating costs.

The House Government Operations Committee concludes that the procedures used by FDA in selecting an alternative site for Headquarters Laboratory site No. 2 were "completely inadequate."

Mr. President, the appropriations bill, H.R. 10196, is still in conference. On October 4, the House returned the bill to conference with instructions to reduce items to budget request figures and to effect other economies. Therefore, it appears both possible and appropriate for this question to be reopened.

It would be highly appropriate, in the light of the new evidence in the House committee report and in the interest of economy and efficiency, that the conference reject the House restriction and instruct the FDA to build its new lab at whatever site economy and efficiency require. I am certain that regard for economy and efficiency will dictate that the lab should be at Beltsville.

Mr. President, not only will construction and operation of the facility in Madison be more costly but this radical geographical shift will also force the expensive relocation of personnel from the Washington area.

I believe that my constituents in Maryland and all the taxpayers of the United States deserve better treatment in this matter and that the laboratory should be in Beltsville.

Mr. President, I am today making this request by letter to the Senator from

Alabama [Mr. HILL], chairman of the Senate conferees. I commend to all members of the Senate Appropriations Committee and to the Senate the summary of the Government Operations Committee's findings, conclusions, and recommendations which I inserted in the RECORD yesterday.

Mr. MANSFIELD. Mr. President, I have the perfect answer to the proposal just raised by the distinguished Senator from Maryland. The most modern Air Force base in the country, at Glasgow, Mont., which cost about \$150 million, and which has everything, is about to go out of existence—in July 1968. So if anyone is looking for something which will be economical, efficient, and already in being, I would suggest that these Senators who have divergent viewpoints look to Glasgow, Mont. They could not make a better choice. Everything is there.

#### ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

#### UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, beginning at 12:30 p.m. tomorrow, half-hour of debate be allowed on the pending Williams amendment, and that the vote on that amendment take place at 1 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Then, Mr. President, I ask unanimous consent that, following action on that amendment, the Mundt amendment be considered, and that there be a time allocation of 1 hour on that amendment, the time to be equally divided between the proposer of the amendment and the manager of the joint resolution or whomever they may designate.

The PRESIDING OFFICER. The Chair will inquire of the majority leader, who is to control the time on the Williams amendment?

Mr. MANSFIELD. The Senator from Delaware [Mr. WILLIAMS] and the Senator from Arizona [Mr. HAYDEN], chairman of the committee.

Mr. MUNDT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. That request is not in order at this time.

Mr. MUNDT. The amendment is on the table.

Mr. MANSFIELD. Mr. President, the Senator will get the yeas and nays.

Mr. MUNDT. Very well.

Mr. WILLIAMS of Delaware. Mr. President, I was going to suggest, in order to expedite the time, that, in the event other amendments were offered, as far as I am concerned, we could have unanimous



consent that on any other amendments offered there be a limited time—

Mr. MANSFIELD. Of one-half hour, the time to be equally divided.

Mr. ALLOTT. Mr. President, reserving the right to object, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. ALLOTT. Several other matters have come up here, including a conference report. Is there anything in the unanimous-consent request that would preclude me from offering, at the proper time tomorrow, the amendment which I have sent to the desk?

The PRESIDING OFFICER. There is nothing which has been proposed in the unanimous-consent request that would preclude the Senator from Colorado from doing that.

Mr. ALLOTT. I thank the Chair. I have no objection to the time limitation that has been requested, except that I would not want a time limitation in the event I called up the amendment which I have just sent to the desk.

Mr. MANSFIELD. Mr. President, further, I ask unanimous consent that on all other amendments, there be a half-hour, the time to be equally divided between the sponsor of the amendment and the manager of the bill, the distinguished senior Senator from Arizona [Mr. HAYDEN]; and that there be 2 hours on the joint resolution; and, if need be, more time will be allowed.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. MUNDT. Mr. President, I have no objection. I think it has been very fairly stated. I was wondering whether or not the majority leader might be inclined to enter into an objection to any committees meeting between 12 o'clock and about 2:30, the time of the vote, so that at least Senators could be here if they wanted to be here.

Mr. MANSFIELD. I would not be averse to that request if the Judiciary Committee could meet, because it is faced with a deadline imposed on it by the Senate.

Mr. MUNDT. We could waive that one.

Mr. MANSFIELD. What was the time?

Mr. MUNDT. From 12 to 3.

#### COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on the Judiciary may be allowed to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. And that all other committees not be allowed to meet during the period from 12 noon to 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUNDT. I realize that that is not going to guarantee that every Senator will be in his seat, but it will at least destroy any alibi as to why Senators could not be here.

The PRESIDING OFFICER. The Chair will inquire of the Senator from Montana if the time to be allowed tomorrow is to be in the usual form?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, later reduced to writing, is as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That, effective on Wednesday, October 25, 1967, during the further consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes, debate on any amendment, except amendment No. 419, offered by the Senator from South Dakota [Mr. MUNDT] on which there shall be 1 hour, motion, or appeal, except a motion to lay on the table, shall be limited to ½ hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader or the Senator from Arizona [Mr. HAYDEN]: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That the Senate proceed to vote at 1 p.m. on amendment No. 420, offered by the Senator from Delaware [Mr. WILLIAMS] on which the debate shall commence at 12:30 p.m.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is hoped that we will be able to take up some conference reports tomorrow. I am glad to note that there will be one now. There will be no voting tonight.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Breskin, one of its clerks, announced that the House insisted upon the amendment of the House to the amendment of the Senate numbered 1 to the bill (H.R. 12474) making appropriations for the National Aeronautics and Space Administration for the fiscal year ending June 30, 1968, and for other purposes, and that the House insisted on its disagreement to the amendment of the Senate numbered 2 to the bill; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. EVINS of Tennessee, Mr. BOLAND, Mr. SHIPLEY, Mr. GIAIMO, Mr. MARSH, Mr. PRYOR, Mr. MAHON, Mr. JONAS, Mr. MINSHALL, Mr. WYMAN, Mr. TALCOTT, and Mr. Bow were appointed managers on the part of the House at the further conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9960) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968, and for

other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate; that the House receded from its disagreement to the amendments of the Senate numbered 17, 18, 19, 20, 21, 22, and 23 to the bill and concurred therein; and that the House insisted upon its disagreement to the amendments of the Senate numbered 58, 59, and 67 to the bill.

#### INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, may I make a brief explanation? The distinguished senior Senator from Washington [Mr. MAGNUSON], who is chairman of the conferees and is the chairman of our Subcommittee on Independent Offices, is unable to be here, but has asked that we bring up the conference report, which has just been adopted by the House, and to take certain action on it.

I have conferred with the distinguished Senator from Colorado [Mr. ALLOTT], who is the ranking minority member of that committee, and he is agreeable to that course of action.

With that understanding, I ask that the conference report be reported.

Mr. JAVITS. Mr. President, reserving the right to object, that is the report that involves rent supplements and model cities. I would like to know of the intentions in that respect before I consent to going on with it.

Mr. HOLLAND. Mr. President, I am very happy to assure my friend that the distinguished Senator from Washington [Mr. MAGNUSON], who is not able to be here, completely agreed with the distinguished Senator from Colorado [Mr. ALLOTT] and myself that, after agreeing to that part of the conference report that is in agreement, we will ask the Senate not to recede from its position in those two matters but to ask for an additional conference on them, and to appoint conferees.

Mr. JAVITS. I thank the Senator.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. HOLLAND. I yield to the distinguished majority leader.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Massachusetts [Mr. KENNEDY] be recognized in the interim.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from Massachusetts is recognized.

Mr. KENNEDY of Massachusetts. Mr. President, I yield to the Senator from Tennessee [Mr. BAKER].

#### CONGRESSIONAL REDISTRICTING

Mr. BAKER. Mr. President, in conversations with my colleagues in this







# DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 26, 1967  
For actions of Oct. 25, 1967  
90th-1st; No. 172

## CONTENTS

Air pollution.....	17,34	Foreign trade.....		Ragweed.....	49
Animal research.....	35	.....	3,15,20,32,40	Reclamation.....	7
Appropriations.....		4-H Clubs.....	19	Recreation.....	6
.....	1,14,41,54	Health.....	46	Redwood park.....	42
Boating.....	59	Hearing examiners.....	9	Research.....	12,35,47
Budgeting.....	8	Hides.....	20	Rural development.....	2,33
Census.....	36	Housing.....	61	Science.....	47
Continuing		Imports.....	15,40	Small business.....	60
appropriations...	1,14,54	Information.....	29	Social security.....	57
Copyrights.....	55	Job Corps.....	10	Spending.....	21,30
Cotton.....	15	Lands.....	49	Textile industry.....	11
Electrification.....	13	Meat inspection.....	16	Tobacco quotas.....	24
Employment.....	53	Oceanography.....	38	Travel expenses.....	45,53
Extension services.....	52	Older Americans.....	43	Truth-in-lending.....	18
Firefighters.....	37	Peace Corps.....	44	Wage board.....	56
Fishery loans.....	5	Poverty.....	22,31,51	Water conservation.....	28
Fishery resources.....	4	Procurement.....	25	Wheat.....	23
Flood insurance.....	39	Product safety.....	27	Wildlife.....	58
Food and medicine.....	52	Property.....	26,48		

HIGHLIGHTS: Senate passed simple continuing appropriations resolution without restrictions. House debated bill to reduce quota on extra-long staple cotton. House committee ordered reported bill to permit advance payments to wheat producers. House subcommittee approved bill to amend tobacco marketing quota.

## SENATE

1. APPROPRIATIONS. Passed, 50-26, as reported, H. J. Res. 888, to continue appropriations for departments and agencies whose regular appropriation bills have not yet been passed (pp. S15303-15, S15317-28). Agreed to, 50-34, the committee amendment eliminating restrictions that would apply to all departments and agencies (pp. S15326-7). Rejected, 39-48, the Williams amendment (see Digest 171)(pp. S15303-6). Rejected, 43-46, the Mundt amendment (see Digest 171)



(pp. S15306-15). Rejected, 39-45, a Dirksen amendment stating the sense of Congress that, before final adjournment, Congress should enact legislation limiting 1968 expenditures to at least \$5 billion less than expenditures proposed in the Budget unless the President has notified Congress that he has taken action to make such reduction (pp. S15315, S15317-26). Senate conferees were appointed (p. S15318).

2. RURAL DEVELOPMENT. Sen. Nelson recommended additional rural development to solve "urban-rural population imbalance." pp. S15277-9
3. FOREIGN TRADE. Both Houses received the President's annual report on the trade agreements program (H. Doc. 177). pp. S15247, H13933
4. FISHERY RESOURCES. The Commerce Committee reported with amendments S. J. Res. 103, to direct the Interior Department to survey the coastal and fresh-water commercial fishery resources (S. Rept. 688). p. S15248
5. FISHERY LOANS. The Commerce Committee reported without amendment S. 1798, authorizing the Interior Department to make loans to fishermen's cooperatives (S. Rept. 685). p. S15248
6. RECREATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 1321, amended, creating the North Cascades National Park, Ross Lake Recreation Area, and Lake Chelan Recreation Area, Wash.,; and S. 1267, amended, to establish the Sawtooth National Recreation Area, Utah. p. D954
7. RECLAMATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 6, amended, authorizing construction of the first stage of the Oahe unit, James division, Missouri Basin project; and H. R. 845, authorizing construction of the Nebraska midstate division, Missouri Basin project. p. D954
8. BUDGETING. Sen. Proxmire announced hearings, to begin Oct. 31, on the report of the President's Commission on Budget Concepts. p. S15258
9. HEARING EXAMINERS. Sen. Dirksen inserted Sen. Carlson's speech, "The Future for the Federal Hearing Examiner." pp. S15266-7
10. JOB CORPS. Sen. Nelson commended the Job Corps and inserted an article on this subject. pp. S15268-70
11. TEXTILES. Sen. Ervin inserted a speech by John T. Connor on some problems and solutions for the textile industry. pp. S15274-6
12. RESEARCH. Sen. Hollings inserted a speech by Dr. Leland J. Haworth, Director, National Science Foundation, at the dedication of a physical science center. pp. S15279-81
13. ELECTRIFICATION. Sen. Muskie spoke in favor of a comprehensive national energy policy and inserted speeches on this subject. pp. S15293-503

#### HOUSE

14. APPROPRIATIONS. Adopted conference reports on H. R. 11641, the public works appropriation bill (pp. H13935-57), and H. R. 10345, the Departments of State, Justice, and Commerce, the Judiciary, and related agencies appropriation bill (pp. H13957-9).



APPENDIX C—Continued  
NET ELECTRIC PLANT INVESTMENT  
[Dollar amounts in thousands]

Local public systems.....	\$3,373,698	\$7,781,381	130.6
Private power companies.....	26,524,408	46,072,178	73.7
REA borrowers.....	2,278,995	3,575,868	56.9
Federal Government.....	3,969,000	6,339,000	59.7

Source: Private company, local public and Federal power statistics projected from Federal Power Commission reports. Rural electric cooperative data is from Rural Electrification Administration.

### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If there is no further morning business, morning business is closed.

### CONTINUING APPROPRIATIONS, 1968

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

The Senate resumed the consideration of the joint resolution.

The PRESIDING OFFICER. The Senator from Delaware [Mr. WILLIAMS] is recognized.

Mr. WILLIAMS of Delaware. Mr. President, we are under controlled time. How much time is allocated to each side?

The PRESIDING OFFICER. The Senator has 13½ minutes. Each side has 13½ minutes.

Mr. WILLIAMS of Delaware. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, the pending amendment involves a very simple question for the Senate to decide. Under the existing situation the budget expenditures are estimated to be \$136.5 billion. The proposed amendment provides that there will be a ceiling of \$131.5 billion on expenditures in fiscal 1968, with the further proviso that the \$5 billion obligational authority that is saved thereby will be rescinded. Thus the \$5 billion which were appropriated would no longer be available but would automatically revert to the Federal Treasury.

We have before us this amendment which would result in a bona fide reduction in expenditures of at least \$5 billion during the 1968 fiscal year.

I call to the attention of the Senate the fact that the adoption of this amendment will not disrupt the operations of our Government because, even with its adoption, there will still be available for spending among the various agencies approximately \$4.5 to \$5 billion more than the same agencies spent in fiscal 1967.

It would seem to me that under the circumstances the adoption of this reduction is the very least that the Congress or the Senate could do to demonstrate that we are concerned about these expenditures.

I mention further that there is nothing new about this amendment. This same amendment was before the Appropriations Committee. It was considered by the Appropriations Committee, but unfortunately it was rejected as a part of the resolution which is now before us.

This is identical to the amendment that was offered by Representative Bow and is exactly the same as was passed overwhelmingly by the House of Representatives.

As to the need for this amendment, let me review these facts briefly. As I pointed out yesterday, the 13 appropriations bills upon which we have acted thus far this year have been increased by the Senate by \$4.055 billion over the amounts approved by the House, and the bills carried \$3.175 billion more than was appropriated in 1967 for the same agencies involved thereunder.

In reality, the adoption of this pending amendment merely brings the appropriations of fiscal 1968 in line with the amounts allowed for the same agencies last year.

When the carryforward obligational authority is considered they would still have about \$4.5 billion more spending money.

I recognize that an excellent argument can be made that this method is a shotgun approach, a meatax approach, and that the proper way to cut expenditures is for the Congress to cut them on a project-by-project basis when these programs and appropriation bills are before the Congress. I agree completely with that reasoning. It was for that reason that while we were considering those appropriation bills I made that effort, and we had 21 rollcall votes, the purpose of which was to reduce the appropriations as they were recommended by the Senate committee. Every one of those 21 efforts failed. The only amendments to appropriation bills that were approved by the Senate on rollcall votes were amendments adding appropriations. The amendments to reduce the appropriations were all rejected.

Had those 21 efforts been successful they would have resulted in a reduction of \$4.467 billion and would have achieved practically the same result we are trying to reach now by the pending amendment. But we were unsuccessful in those efforts. So the Senate has no choice now, if we want to cut expenditures, except to adopt an amendment of this nature at this time.

On the other hand, if the Senate wants to continue with these expenditures it should reject this amendment, and by so doing the Senate will have approved spending about \$10 billion over and above what was provided last year. By our votes here we will determine to a

large extent the size and the urgency of a tax increase proposal which may very well be considered before we adjourn in this session. I think the very least the Senate can do is to adopt this amendment to reduce this year's expenses by \$5 billion.

Mr. BYRD of West Virginia. Mr. President, I yield 5 minutes to the distinguished Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I am surprised at the fact that my distinguished friend from Delaware, in view of his many positions of the past, and in view of the fact that he sits on the other side of the aisle, is now taking the position which he has just stated to the Senate.

I do not know how many times we have all heard the Senator from Delaware complain of the fact that the executive department was, in his view, trespassing upon the precincts of the legislative department; and gaining more power at the expense of the legislative department. Yet the distinguished Senator now asks us to give very great additional power to the Executive, in the coming year, to do things which can be better done here, and which are being better done here.

I say again, I am surprised at the source from which this suggestion comes because it is a suggestion to reduce legislative power and greatly increase executive power, and to dump our problems into the lap of the Executive with certain rather general instructions stating that he should make reductions in accord with those general instructions, but with the admission that there must be many transfers, and that many objectives will be hurt in the process to a very large degree.

Mr. President, during the last few minutes I have had compiled, and completed except for further reductions accomplished this morning, the reductions from the appropriations budget which have been accomplished by the Appropriations Committee and by the actions of the two Houses of Congress during this session.

Mr. President, I have been predicting for a good long time that when all appropriation bills are enacted we would find that we had cut appropriations \$5 billion. I find now that I have been too conservative in my expectations and predictions, because, as compiled by the chief clerk of the Appropriations Committee of the Senate, the reductions already accomplished, or viewed as a certainty, amount to \$4,832,000,000, without two additional reductions that were made this morning in the conference committees on the space bill and the independent offices bill. Those two additional reductions increase the total of reductions, Mr. President, to well over \$5 billion.

To say that we have no confidence in our own work, no confidence in our own associates, no confidence in the institution of which we are a part, whether we regard it as the Senate or the Congress, and to say that somebody else can do it better, after we finish all of our appropriation work, when we have already shown an actual reduction of more than \$5 billion in the appropriations budget, is, I think, the wrong thing for us to



do; and I am greatly disappointed that my distinguished friend from Delaware suggests such a thing, because it is so apparent that Congress is making substantial reductions in accord with what the times require—and they do require very great economy.

Mr. President, I shall not place this list in the RECORD at this time, because we are making certain changes on it to reflect the additional reductions made this morning in the conference committees on the space bill and the independent offices bill, which, as I have already stated, will bring the total of reductions to well above the \$5 billion figure.

Mr. President, in closing, I just wish to say that I hope the Senate does not vote a vote of no confidence in itself and its institutions.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD of West Virginia. Mr. President, on behalf of the chairman of the committee, the Senator from Arizona [Mr. HAYDEN] I yield 2 minutes to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, as ranking Republican member of the Appropriations Committee, I find it especially difficult not to agree with my friend from Delaware and support his amendment.

The amendment, in my view, would give additional and massive authority to the President of the United States, as if he did not already have plenty. He could make cuts in some items which I think would not be justified, at least in the minds of most Members of Congress, and perhaps make unjustified increases in others. His power of transferability is already very great.

I believe this is a matter of authority on expenditures that Congress should keep in its own hands. We have not been as frugal as we might have been here in the Senate, particularly in appropriating and saving money. I agree with the objective of the House of Representatives, and believe that we may have to go along with them in some of their provisions in this resolution in conference; but I hope and believe that something more specific and effective can be worked out in conference if this particular amendment is not adopted.

I shall support the Mundt amendment, which is a specific one; but I believe we shall be in a far better position if we reject the amendment of the Senator from Delaware.

Mr. BYRD of West Virginia. Mr. President, how much time does the Senator from Arizona have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 6½ minutes remaining.

Mr. BYRD of West Virginia. Mr. President, I yield myself 5 minutes.

I rise in opposition to the amendment offered by the Senator from Delaware. This proposal would place an absolute ceiling on Federal expenditures for the current fiscal year—with the exception of spending for the Department of Defense. It would do this, moreover, regardless of the amounts which we, the Congress, enact into law through the appropriations process. Your Appropria-

tions Committee considers carefully each request brought before it. Agency witnesses are questioned closely and at length. Finally, recommendations are prepared for the consideration of the Senate—and these recommendations represent the best informed judgment of your fellow Senators who have heard all the relevant facts presented.

The amendment now before the Senate would undo this careful work—not only for the bills which have been enacted earlier but for those not even considered yet. It would substitute instead a sweeping meat-ax approach.

But it would do more. It would transfer to the President the power to determine which spending would be curtailed to stay within the ceiling. His judgment, not ours, would prevail. I cannot believe that the Senate of the United States would wish to pass to the executive branch the congressional power of the purse.

But even aside from these fundamental considerations—the separation of powers and the proven value of the appropriations process—there are three very practical problems associated with a limitation on total expenditures:

First, an expenditure limitation locks the door after the horse has gone. The Congress provides appropriations which grant the administration power to enter into contracts or obligate money. Expenditures are simply the process of paying off those contracts and honoring those obligations. You cannot control expenditures alone. You must control the initial contracts or obligations. An expenditure ceiling does not face this fact—it is like trying to stopper the mouth of the hose after turning the water on at the spigot.

Second, an expenditure limitation makes no allowance for uncontrollable changes in expenditures. The President would, of course, have to make an initial round of program reductions. But what then? Suppose later in the fiscal year, expenditures increased and the administration was powerless to stop them—in such locked-in programs as CCC price supports, veterans pensions, and Medicaid, for example. These increases would immediately require even further cuts in other programs which could be controlled—aid to education, airway safety, and health research, for example. As a matter of fact, if substantial uncontrollable expenditure increases took place late enough in the fiscal year, some vital programs might well have to shut down completely to offset the increase and stay within the legal ceiling.

Third, an expenditure limitation would require a whole new and cumbersome set of controls. The entire Federal accounting system is set up to control at the point where contracts or commitments are made. Expenditures are simply an estimate of how rapidly checks will be written as work progresses, planes are delivered, States draw their grant authorizations, and so forth. But with a legal limit on expenditures, all the agencies would have to set up a whole new and wasteful management system to control those expenditures.

These are some practical problems which any limit on spending would bring

in its wake. But let us also examine very carefully what our colleague's \$5 billion expenditure reduction would mean for our Federal programs. Where could the President find cuts of this magnitude?

As I noted earlier, there are some things neither we nor the President can cut without changing basic law. Examples include veterans compensation and pensions, public assistance grants, the Government's matching share of medicare payments for the aged, and interest on the public debt.

He cannot cut the \$15 billion of expenditures that are being paid out this year—and the year started nearly 4 months ago—to meet contracts and commitments made in prior years with funds we voted for that purpose.

With a war on, we cannot expect that the President will find much opportunity to cut spending for the national defense.

When all of these programs are subtracted from the total, only about \$20 billion is left. The amendment before us would tell the President to cut \$5 billion of that. Considering the normal timelag of expenditures behind obligations and the fact that the fiscal year is already nearly one-third gone, he would undoubtedly have to make program cuts—cuts in obligations—of around \$10 billion.

It is hard to grasp the real meaning and impact of such massive reductions in Federal programs. None of us know where the detailed reductions would actually occur. But let me give one complete illustration—and one which is surely close to the mark. Let us assume that the President applies one uniform reduction to all grants; another uniform reduction to all loans, and so forth. What would such a cut really look like?

Mr. President, first, all new construction starts would be eliminated.

Second, every new contract for major ongoing construction work would be eliminated. Projects would be stopped in the early stages of completion for the Corps of Engineers, the Bureau of Reclamation, and other agencies.

Third, new loans would be cut 50 percent below totals planned for this year: loans to farmers for electrification, telephones, housing, and emergency needs; small business loans; Fannie Mae mortgage purchases for low-cost housing and moderate-income urban renewal and cooperative housing; loans for veterans' housing, college housing, college students, and poor rural families.

Fourth, new grants to State and local governments would be cut by 30 percent: the elementary and secondary and higher education programs; Neighborhood Youth Corps and Headstart; school lunch, special milk, and food stamp programs; assistance to schools in federally affected areas; grants for maternal and child welfare, disease prevention, and other health programs; programs for model cities, urban transportation, the Department of Agriculture's Extension Service, water and waste disposal, and other grants.

Fifth, the SST would be canceled, and space programs would be cut by \$1 billion below the budget—or about half a billion below the amounts now being considered by the Congress—thus slow-



ing down the manned lunar landing program and crippling other space efforts.

Sixth, expenditures for all other controllable programs would be cut 15 percent: the food-for-peace program; veterans' medical care—some hospitals would be closed and some doctors, nurses, and other employees separated; atomic energy programs; research on cancer, heart disease, mental illness, and other areas; the Internal Revenue Service—many of the employees who review tax returns would be removed; operations of airways by the Federal Aviation Administration—this program would be reduced to its 1963 level despite an increase in air traffic of nearly 50 percent since that time; the FBI and other Justice Department programs; Interior programs for Indians, land management, fish and wildlife, and mineral resources; the Coast Guard; and a whole host of others, including agricultural research, weather and postal services, enforcement of labor standards, foreign relations, Treasury reporting and accounting, regulatory activities, basic research, and so on and on.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that 1 additional minute be allotted to each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I yield myself 1 additional minute.

Mr. President, I am as much in favor of economy as is any Senator. But imposing a rigid ceiling on Federal expenditures is simply not the right way to save money. The right way is to rely on the tried and true appropriations process. I therefore urge the defeat of this amendment.

Mr. WILLIAMS of Delaware. Mr. President, I yield 3 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I thank the Senator from Delaware for yielding to me.

I think that as a body the Senate should do something to meet the very serious and valid challenge that has been raised by the House of Representatives in its amendment. Whether the matter is wholly worked out now is not the entire issue.

I doubt that any amendment of this kind, or even the next amendment that is to be offered, would be suitable and on all fours in every way. But I think in view of the conditions of this mounting deficit, the difficulty that is going to be had in passing any kind of a tax bill, and, not the threat of inflation, but the actual inflation that has already started—which is the most cruel and unkindest tax of all—it is up to us to respond in some way rather than merely to go to conference singlehanded or ironclad in any position.

I think the House, by its recorded vote, is going to stand on some position of economy in conference.

I voted for this matter in the Appropriations Committee, and I am as guilty as anyone, or as the average one, in voting too much in appropriations not only this year but also last year and the year before. Do not say, however, that we cannot reduce the appropriations. We can do so if we make up our minds.

This year—due largely to the efforts of the Senator from Georgia [Mr. RUSSELL], and I am not claiming any credit for it—after a very careful perusal of the defense bill by the Senator from Georgia and the Senator from North Dakota, and others, there was a reduction made in the amount of \$1.6 billion without touching topside or bottom the muscle or the bone that is necessary to have a sound, solid military program. We may have to increase the appropriations some in the supplemental bill next year, but not for the items that we cut out in that bill.

Congress can do these things, and Congress does have a part in such matters.

I hope that we will agree to the pending amendment or to the next amendment to be offered.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. Mr. President, for 11 years I have tried by my votes and arguments to reduce Federal spending, but I have failed woefully and painfully.

I have argued that the escape from Federal fiscal chaos and unbridled inflation required the stoppage of deficit operations. Those arguments fell upon deaf ears.

It was my opinion that in a period of prosperity, the moneys flowing into the Federal Treasury should be used in part to reduce the Federal debt. That argument fell upon deaf ears. Now, at the end of the 11th year, the cry is made that we should pass a 10-percent surtax in order to stop the damaging impact of inflation upon retired employees, ministers, doctors, and workers. The cry "stop inflation" is being heard throughout the Nation.

The time to have argued that point was during the past 11 years.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield 1 additional minute to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 1 additional minute.

Mr. LAUSCHE. Mr. President, I tried to stop this threat. I voted on separate bills to reduce spending. I failed.

I realize that this is a sort of broadax chop in the appropriations, but I know of no other method to achieve what I believe has to be done to stop the fiscal disintegration of our country, the robbing of pensioners, the robbing of those who have bought U.S. bonds, and the robbing of all other thrifty people who believed

in the American dollar and tried to save it.

I gladly support the amendment of the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has 3 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself the remaining 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 3 minutes.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from West Virginia outlined a broad list of calamities that allegedly would fall upon this country if the pending amendment is agreed to. I disagree completely with his position that agreement to the pending amendment would result in such a calamity.

I point out that even if the pending amendment, which would reduce the projected ceiling for the next fiscal year by \$5 billion, were agreed to, it would still mean that these same agencies would be able to spend \$4.7 billion more than they spent last year. Is it a calamity for the Senate to consider the plight of the taxpayer?

I note that the Department of Labor this morning reports that the cost of living has risen 39 percent since 1959. That is inflation at an average of 5 percent per year. It is time we recognize that we cannot continuously expand these spending programs without having a staggering tax increase and all the evils of inflation that go with it.

The suggestion has been made that the adoption of this amendment would be an expression of lack of confidence in the Senate. I do not interpret it that way, but frankly I will accept it. After all, the Senate up to this point has not reduced expenditures. Let us face it. On the contrary, by rollcall votes in the Senate, it has added \$4,055 million to the appropriation bills over what was added in the House. Even the adoption of this amendment would only roll back to the House figures, and certainly the House is not un-American.

So far as conferring undue powers upon the President is concerned, certainly this procedure would confer upon him some powers; but we in Congress have failed thus far to adopt these amendments on a selective basis. Someone may argue that the efforts that were made to reduce the expenditures were poorly selected, poorly timed, and the wrong place. But no Member of the Senate has suggested any other place to cut the budget, so we must proceed on the premise that no Member of the Senate knew of a better place to approach the cut.

As an argument in favor of the pending amendment, I shall quote none other than the man in the White House.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The time of the Senator has expired.

Mr. WILLIAMS of Delaware. I ask unanimous consent that I may proceed for 1 additional minute.



The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. In 1957 Congress was trying to reduce the appropriations under a preceding administration. The effort to reduce those appropriations was then led by the Senator from Texas, Mr. Lyndon Johnson, and I quote Senator Johnson's statement as it appears in the CONGRESSIONAL RECORD of May 15, 1957, on page 6973:

Mr. JOHNSON of Texas. When the vote on that question is taken, every Member who wishes to vote for more money, for more jobs, for more Government-kept press services, for more assistants, can line up, on one side, and say, "Here we are—the spenders, and we are proud of it." Those on the other side can line up and can say, "Here we are, the cutters—and we are proud of it."

I am ready to vote.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Oregon [Mr. MORSE], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. BREWSTER] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Alaska [Mr. GRUENING], the Senator from Oregon [Mr. MORSE], and the Senator from Alabama [Mr. SPARKMAN], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Massachusetts [Mr. BROOKE] is absent on official business.

The Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from Massachusetts [Mr. BROOKE]. If present and voting, the Senator from Iowa would vote "yea," and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from Texas would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 39, nays 48, as follows:

[No. 299 Leg.]

YEAS—39

Allott	Cannon	Curtis
Baker	Carlson	Dirksen
Bennett	Church	Dominick
Boggs	Cooper	Eastland
Byrd, Va.	Cotton	Ervin

Fannin  
Griffin  
Hansen  
Hickenlooper  
Hollings  
Hruska  
Jordan, Idaho  
Lausche

McGovern  
Morton  
Mundt  
Murphy  
Nelson  
Pearson  
Percy  
Prouty

Proxmire  
Russell  
Spong  
Stennis  
Symington  
Talmadge  
Thurmond  
Williams, Del.

NAYS—48

Aiken  
Anderson  
Bartlett  
Bayh  
Bible  
Burdick  
Byrd, W. Va.  
Case  
Clark  
Ellender  
Fong  
Gore  
Harris  
Hart  
Hartke  
Hayden

Hill  
Holland  
Inouye  
Jackson  
Javits  
Jordan, N.C.  
Kennedy, Mass.  
Kennedy, N.Y.  
Long, Mo.  
Long, La.  
Magnuson  
Mansfield  
McClellan  
McGee  
McIntyre  
Metcalf

Mondale  
Monroney  
Montoya  
Moss  
Muskie  
Pastore  
Pell  
Randolph  
Ribicoff  
Scott  
Smathers  
Smith  
Tydings  
Yarborough  
Young, N. Dak.  
Young, Ohio

NOT VOTING—13

Brewster  
Brooke  
Dodd  
Fulbright  
Gruening

Hatfield  
Kuchel  
McCarthy  
Miller  
Morse

Sparkman  
Tower  
Williams, N.J.

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will suspend until we have order. The Senate will be in order.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Mr. President, do I understand that the debate now begins on my amendment under controlled limitations?

The PRESIDING OFFICER. The Senator is correct; there are 30 minutes allotted to each side.

Mr. MUNDT. Mr. President, I shall speak briefly in connection with my amendment before yielding to other Senators who desire to speak in support of the amendment.

Mr. STENNIS. Mr. President, may we have order so we can hear the Senator?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MUNDT. Mr. President, I wish to point out that the economy bloc lost by a margin of nine votes on the amendment of the Senator from Delaware [Mr. WILLIAMS], which increases my optimism and my hopefulness that the Senate will agree on a rollcall vote to the 5 percent cutback suggested in my amendment.

I know that some Senators who voted for the Williams amendment did so with reluctance because we felt that there are more systematic equitable and effective methods of achieving the desired objective. I also know that some Senators who voted against the Williams amendment will support my amendment. We therefore are now in the important area of trying to convince six or eight Senators to put the Senate on record in favor of some economy.

I wish first to read a statement from the morning newspaper that would tend to sharpen the issue. This article is a United Press International news release. The headline reads: "MILLS Says Committee Will Insist on Cuts." The first paragraph of the article reads:

Chairman Wilbur D. Mills (D-Ark.) predicted yesterday that House Ways and Means Committee will stand firm on its insistence that Federal spending be cut before it considers President Johnson's proposed 10 percent surtax.

Mr. President, that is the lead paragraph in this news article. I ask unanimous consent that the entire article may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILLS SAYS COMMITTEE WILL INSIST ON CUTS

Chairman Wilbur D. Mills (D-Ark.) predicted yesterday that House Ways and Means Committee will stand firm on its insistence that Federal spending be cut before it considers President Johnson's proposed 10 percent surtax.

He thus appeared to hold out little hope for enactment of the tax increase this year, although he declined to commit himself specifically.

Mills conceded at a news conference that tax reform holds high priority, but indicated there is no hope for immediate action. Proposals now being prepared by the staffs of his Committee, the Treasury Department and the Joint Economic Committee will probably not be ready for consideration before next year, he said.

But Mills said he understood that the recommendations will include "changes in the tax treatment of foundations," to correct abuses through which the mushrooming number of such organizations enjoy tax advantages while perpetuating family control of the estates.

He also expected that some change will be required in the tax-free status of church-operated business ventures.

Mr. MUNDT. Mr. President. I want to point out that Representative MILLS has said that over and over and over again. He is a very fine Member of the House of Representatives. His word is as good as his bond. He does not engage in loose talk. I know him well. He has said to Members of the Senate and House, "If you want to have tax consideration and if you want to put our fiscal house in balance, you have got to start by doing some effective economizing."

The House has responded to the challenge with a majority of 110 votes.

The Senator from Delaware [Mr. WILLIAMS] was nine votes short on his effort. I sincerely hope that we can increase the vote in favor of the pending amendment sufficiently to put the Senate on record as being in favor of going to conference, not empty-handed and not to repudiate or to reject the economy drive by the House, but to associate itself with their earnest desire to work out a conference report which will cut back on Federal expenditures.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. YOUNG of North Dakota. I am one of those Senators the Senator is speaking of. Reluctantly, I voted against the Williams amendment because it



would give the President broad discretionary authority to wipe out some programs entirely if he wanted to.

Mr. MUNDT. The Senator is correct. I was also reluctant to vote for it, but I think the situation is so desperate that we are going to have to move in some direction. I do not want to discourage any rational economy efforts being made at this time.

Mr. YOUNG of North Dakota. The amendment of the Senator from South Dakota is more positive, and it spreads cuts across the board.

Mr. MUNDT. Correct.

Mr. YOUNG of North Dakota. We will know exactly where it goes. Thus, I think it is a much better approach. We will have to work out something in conference. There will be enough leeway in conference and too, if the amendment is adopted it will indicate that some economies have been effected on the Senate side, too. It will make the discretionary authority more workable.

Mr. MUNDT. The Senator from North Dakota is precisely correct. One great advantage of the amendment is that it will open doors in the conference to all considerations for moving the budget downward and economizing, whereas if we simply reject the House, repudiate and scoff at it, send them a gratuitous insult, saying that we are not interested in economy, as we would do by approving just a simple continuing resolution, I doubt if we will have any effective conference at all.

Mr. McCLELLAN. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. McCLELLAN. Please explain to me what the Senator means by subsection (b), the authority of the President to place funds where he wants to, which is what I do not like about the resolution. I should like to vote for the first part of it, but I do not like the second part where I think we abdicate completely our authority and transfer that power to the President.

Mr. MUNDT. It is in the CONGRESSIONAL RECORD, if the Senator will refer to the speech I made yesterday. I have added nothing whatsoever to existing Presidential power to transfer funds—

Mr. McCLELLAN. Then why not strike it out?

Mr. MUNDT. In the act of 1951. Now part of the Federal statute gave the President that authority. It will stay there until we repeal it.

Mr. McCLELLAN. Then why not repeal it?

Mr. MUNDT. We utilize that device to give him some flexibility in determining whether he should cut some agency 2 percent, or another agency 5 percent, or 3 percent, instead of making it straight across the board at 5 percent.

Mr. McCLELLAN. Could he not cut it 50 percent?

Mr. MUNDT. Under present law, he can do anything he wants to with it. My amendment does not change present law in that respect.

Mr. McCLELLAN. Then why not strike it out?

Mr. MUNDT. Because it is in conformity with the law at present. We live with

the law. We bring the first paragraph into conformity with existing law.

Mr. McCLELLAN. Then it would be in conformity if the other is not repealed.

Mr. MUNDT. It says, straight across the board. I said yesterday that I thought some day we should try to figure out how to rescind that authority granted in 1951. I doubt now, when our big problem is to try to find some way to economize, that this is a propitious time to pull back that authority which we have given to the President since 1951.

Mr. McCLELLAN. I wish the Senator would withdraw the amendment.

Mr. MUNDT. Well, it is in strict conformity with present law.

Mr. MONRONEY. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. MONRONEY. As I read the distinguished Senator's amendment, it seems to me it would be the greatest grant of Presidential discretion which I have ever seen given to a President during my years in the Senate.

Is it not true that by the language of subsection (b), authorizing the President to reduce by at least 5 percent the line item appropriations, the President could reduce veterans benefits, pensions, and disability payment by 5 percent?

Mr. MUNDT. The Senator is entirely wrong. Let me correct him there. These cuts have to be on items which are subject to administrative control. Veterans benefits are not. We cannot touch them. They cannot be reduced even by one-tenth of 1 percent.

Mr. MONRONEY. We have appropriated money for the Veterans' Administration consistently. I do not see how we can place any limitation on the authority we would be giving the President to reduce funds that would be going to that agency. That is a big appropriation, as the Senator knows, because he serves on the Appropriations Committee.

Mr. MUNDT. If the Senator will refer to lines 7 and 8 of the amendment, I want him to read them, because I realize, also, that other Senators have not been here when this was discussed in great depth on yesterday:

(Other than appropriations for military functions and those items determined by the Director of the Bureau of the Budget not to be subject to administrative control) . . .

Veterans' benefits are spelled out in the law. We cannot touch them—or interest on the national debt. In fact, he will find in the hearings a list of the expenditures which are controllable.

Mr. MONRONEY. On what page is that?

Mr. MUNDT. It is written here, on a mimeographed form. I hand it to the Senator.

Mr. MONRONEY. I thank the Senator.

How would funds appropriated for public works projects be affected? Would we not be giving the President carte blanche power to reduce them to 1 percent of the funds which Congress has already authorized?

Mr. MUNDT. On that, I say to the Senator, as I stated to my good friend from Arkansas [Mr. McCLELLAN], they fall into two categories; first, where def-

inite commitments are made we cannot cancel contracts; and, second, where we do not have authority to cut, they are subject to administrative control. Under present law the President can cut them out. In those cases, forget about the Mundt amendment. Live with the law as it was enacted in 1951. I put it all in the RECORD yesterday. The President has the authority now that we are talking about here. There is no change. The President has had that authority since 1951 in regard to contracts and slowing down projects and effectuating economies.

Mr. MONRONEY. But it is not right to reduce an appropriation down to 1 percent of the amount we have appropriated—

Mr. MUNDT. He has already at times reduced them down to zero under the authority we gave the President in 1951. My amendment does not expand the statutory authority he has had for 16 years.

Mr. McCLELLAN. If the President has had that authority to do everything this amendment covers, why do anything in this regard, if he has all the power the Senator says he has?

I do not want to give the President of the United States, who is advocating the spending of billions of dollars for purposes with which I do not agree at all, the power to take away from my State the public improvements which will be a great asset to my State as well as to the Nation. I want to vote for economy but I do not want to vest in the President of the United States any arbitrary power, if he chooses to use it that way, to punish absolutely, to operate by Executive order, or whatever authority would be given him here, to reduce appropriations for projects to which I subscribe as being of great benefit and which are now in progress of being constructed and should not be retarded simply so that the President could lay his hands on additional money to use for some of his wild schemes with which I do not agree at all. That is why I cannot vote for the pending amendment. I should like to support it, however.

Mr. MUNDT. We had the Senator in mind when we wrote this amendment. We protected him. The President cannot take money from projects to help out in the building up of other programs. He cannot use the money saved to increase any appropriation anywhere. Thus, the Senator can forget about that. That is spelled out in the law. There is no change. There it is. The Senator has suggested that we repeal it. Such a repeal has not been considered in the Appropriations Committee. It is subject to rescission. But, there it is in the law until and unless we repeal it. We have got to live with the law as it is. I am merely providing the pattern of transferability in keeping with the Federal statute as it now exists.

If we want economy, we will have to economize. We cannot begin, by this amendment, to bar the power the President has as spelled out in the law already on the books.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MONRONEY. Does the Senator say to the Senate that the total effect of this



amendment will be to effect a reduction only on \$38 billion in appropriations?

Mr. MUNDT. Yes. We will get that big a reduction. If we figure 5 percent against that figure, we will get a reduction of \$1.9 billion.

Mr. MONRONEY. In other words this amendment will apply only to appropriations that are controllable, which amount to about \$38 billion. Five percent of that would be a very small amount.

Mr. MUNDT. Perhaps the Senator should look at the hearings, instead of the memorandum he has in front of him.

Mr. MONRONEY. I have been looking at the memorandum. Where is it in the hearings?

Mr. MUNDT. For one thing, it is on page S15223 of the RECORD of yesterday. It is also in the hearings. Dr. Schultze, after painstaking effort on the part of the Senator from Rhode Island [Mr. PASTORE], put it in the hearings. It is in there. We are talking about \$38 billion or \$39 billion, and a 5-percent reduction against that, and retaining the law as it is, which bars the President from making any shifts in increases, would save the taxpayers \$1.9 or \$1.9½ billion.

Mr. President, I yield to the Senator from New York [Mr. JAVITS] such time as he may need.

Mr. JAVITS. Mr. President, I shall vote for the Mundt amendment. This is not precisely having our way in this manner. This is a matter of coming to an agreement with the other body. The other body is headed, in my judgment, on a course which is averse to those of us who consider themselves liberals in both bodies, because, in my judgment, it would lead to a meat-ax cut, in programs to provide housing, in poverty programs, in aid to foreign nations, in education, and related programs. The President has shown his disposition, and nothing will come out of this continuing resolution unless we agree with the other body.

Unless we wish to encourage meat-ax cuts, in programs which I have described, and which has already been indicated in the other body, by taking 25 percent out of the poverty program, and cutting almost equivalent amounts in foreign aid, and various other cuts which would result in obtaining a \$7 billion reduction, which is the other body's approach to this problem, we have to be for something affirmative.

We cannot let our conferees go into conference without affirmative action by the Senate. In my judgment, we can bargain much more by adoption of the Mundt amendment.

I hope by now the Senator from Oklahoma [Mr. MONRONEY] has ascertained the facts involved in this amendment. The 5 percent applies to \$38 billion. That is roughly a reduction of \$1.9 billion which could be envisaged. I am willing to take my chances with that kind of reduction on a total of about \$40 billion rather than have a mandatory and enforced reduction, on a meat-ax basis, on the order of \$7 billion, materially crippling major programs.

The other point I wish to make is that the Congress, in my judgment, will be faced with a tax surcharge, a tax increase, dictated by the inflationary situa-

tion in the economy. As a member of the Joint Economic Committee and other economic committees, I think Members of the Senate have reason to believe that I know something of what I am talking about in the economic field.

I deeply believe we shall be faced with these decisions. A tax surcharge of 10 percent would mean a reduction of the deficit by about \$7 billion. A deficit of \$29 billion is completely unacceptable. In my judgment, a reasonably acceptable budget deficit under the circumstances is somewhere in the range of \$14 billion to \$15 billion.

In my judgment we must take three closely related steps to deal with the fiscal situation of this country today, before any tax increase is enacted.

First, the administration must reevaluate its spending priorities.

Second, in order to cut down on the deficit, we must bring about a reduction in expenditures. We have already reduced expenditures by reductions of \$2.5 billion in appropriation bills. The Mundt amendment will bring about a reduction of another \$2 billion. It is logical to expect that another \$2 billion reduction will be made in the appropriation bills which remain to be considered. In two of those, I, myself, am a conferee.

For the remainder, I would urge the President to send to Congress his long-delayed message on tax reform and press hard for at least some realistic measures to close loopholes in our tax laws, for example, in the oil-depletion allowance, which is certainly not for the benefit of anybody but those in the oil business, and I urge him to think about the benefit received, amounting to hundreds of millions of dollars every year, by people who might otherwise buy railroad cars, airplanes, and other equipment, but who can rent them and thereby get a tax advantage. I refer to such high-cost capital goods as computers.

Those are the three things I recommend by which the American people can meet the inflationary situation which faces us. As everybody knows, I am not given to cutting or economizing necessarily per se, but in this instance the interests of the country call for accepting Senator Mundt's approach as intelligent and reasonable in preference to the meat-ax approach of the other body. I am going to take what is the more promising approach for the things I believe in most.

The Senate has an opportunity to decide today what contribution it is willing to make in dealing with the \$29 billion deficit facing the country at a time when the economy is operating at a relatively high level and the threat of inflation is looming ahead.

It is not easy for many of us to support any cuts in Federal programs, as many of these programs represent important answers to the principal social and economic problems facing millions of the American people. But unless we show the American people that we are willing to make some cuts—as proposed by the Mundt amendment—they will be justifiably angry at the Congress for even talking about a tax surcharge.

I am firmly convinced that once some cuts are effected in Federal spending and

the President makes serious proposals to the Congress for some reform of our tax system, both the people and Congress will be ready to listen to the President's case for a tax surcharge, should conditions continue to warrant it.

The country is facing extremely difficult economic conditions today. Even if a tax surcharge were passed, the fiscal year 1968 budget will have the largest administrative budget deficit since World War II. Even with a tax increase, prices may rise as much as they did last year—which recorded the highest rise since 1957. Inflationary psychology is taking hold. Cost pressures are increasing with wage demands far exceeding the now defunct wage-price guidelines. The new settlement reached between Ford and the United Auto Workers—an estimated 7-percent-a-year increase in wages and benefits—confirms the seriousness of our situation. And interest rates are again heading toward the historic highs that were reached in 1966. Whether a tax surcharge will be enacted or not, high interest rates are going to be a fact of life at least for 1968, if not longer.

Clearly, the repeated and serious errors of judgment in the design and the execution of economic policy in 1966 have contributed to our present predicament. Our economy is in trouble and restoring balanced growth is bound to be a painful and prolonged exercise.

I support the Mundt amendment because I believe, under present circumstances, it is, in respect of appropriations, the best way out. At the same time, I reaffirm my belief that the Federal Government, in close cooperation with private enterprise and State and local government, must accept responsibility for remedying major national ills. I believe that even under present circumstances of extreme fiscal stringency caused by Vietnam, these major national problems, including those involving our cities and the poor, must be dealt with effectively. I believe that if modest cuts are made across the board, and we begin to work on making our tax structure more equitable and give serious consideration to a modest tax increase effective some time early next year, we will have dealt with the country's fiscal situation in a responsible manner. Should the steps I outlined be taken, we would still be left with a budget deficit of close to \$15 billion. I believe that considering the costs of the Vietnam war—\$2 billion a month—this country could live with a deficit of that size, but a higher deficit under existing economic conditions is unacceptable.

Therefore, facing the facts of life, I shall vote to support the Mundt amendment.

Mr. MUNDT. Mr. President, may I inquire what distribution has been made of the time thus far consumed?

The PRESIDING OFFICER. The Senator from South Dakota has 7 minutes remaining. The Senator from Arizona has 30 minutes remaining.

Mr. MUNDT. I would assume, then, that the Senator from Arizona would like to participate in this debate at this juncture.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Ari-



zona, I yield 10 minutes to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, as I stated a while ago with reference to the Williams amendment, I am surprised indeed, by the source from which these proposals come. I have heard the distinguished Senator from South Dakota and the distinguished Senator from Delaware inveigh repeatedly on this floor and elsewhere against the giving of too great power to the Executive. I have heard them complain that the legislative department was surrendering too much of its power to the executive department. Yet now we find these two fine Senators the authors of proposals which would, if passed, surrender more power to the present President with reference to the expenditure of funds and with reference to the increase or decrease in expenditures than has been the case in any act that I know of that has ever been passed heretofore.

The Senator from South Dakota has referred to the act of 1951. I have gone back and reviewed that situation very carefully. The fact is that in 1951, in the middle of the Korean war, we did give to President Truman the authority to cut out \$551 million, with certain instructions. It was a specific amount, which is not the case here at all. It was a much smaller amount than is involved here, and it was against a background completely different from what we have here; because, in that entire session of Congress, the reductions of the budget figures by the various committees and by the various acts totaled only \$1.9 billion, compared to reductions already made in this session of more than \$5 billion.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. Just a moment.

Mr. President, I have been predicting for some weeks that we would have reductions in the appropriations, from the budget recommendations, of more than \$5 billion. Some have smiled; some have laughed at that prediction. But the fact is that right now we have exceeded that prediction, because we have cut more than \$5 billion from the budget appropriations recommended by the administration.

I yield to the Senator from South Dakota.

Mr. MUNDT. Am I correct or incorrect in believing that the Senator from Florida unintentionally misspoke when he said we had already cut \$5 billion? Is he not talking about the total of what we have cut and what additional amounts he hopes to cut?

Mr. HOLLAND. No; I am talking about what we have cut already, including two cuts made this morning by conference committees, and estimating the smallest figures possible for cuts in the three remaining bills.

Mr. MUNDT. Then the Senator is anticipating future actions.

Mr. HOLLAND. And we are figuring no cut for the supplemental bill, and have figured the cuts for the military construction bill and for the foreign aid bill at the lowest possible figures, based on the information that is before us.

Mr. MUNDT. Does not the fact remain—

Mr. HOLLAND. Considering those, the present cuts—and I am sure they will be well in excess of this figure when we get through—total \$5,147 million.

I yield again.

Mr. MUNDT. I am not arguing what we may do. I am asking, is not the Senator incorrect to say that we have already made the cuts? He is hoping and anticipating; so am I. But will the Senator tell us what we have already cut?

Mr. HOLLAND. We have already cut \$3,356,000,000, plus \$315 million cut out this morning, which is \$3,671,000,000. In addition to that, we have figured the cuts on the bills yet ahead at what seems to me to be the most reasonable figure possible; that is, the highest figure proposed by either House, or the highest figure in the authorization.

Mr. MUNDT. I am sure the Senator misspoke himself then. He said we have already cut \$6 billion.

Mr. HOLLAND. We have already cut \$3.671 billion, and the further cuts which are sure to be made, because they are the lowest cuts that can be made under the authorizations outstanding, will run that total to \$5.147 billion.

I say to my friend, I think the cuts we are going to make in foreign aid are going to be bigger than we have figured here, because I think they will be bigger than the existing authorization permits. I think the cuts we will make in military construction will be bigger than we have figured here. But I am just stating that as of right now, we have an assurance of cutting \$5.147 billion, and my prediction now is that the actual figure will be nearer \$5.5 billion when we get through.

My distinguished friend probably does not know that we concluded this morning conferences on the space appropriations bill and on the independent offices, and raised the cuts already made and approved yesterday by both Houses by a total of an additional \$315 million.

Mr. MUNDT. I am aware of that, and I heard the Senator say that. Of course, that is included in his calculations.

Mr. HOLLAND. I thank the Senator for his questioning. I ask for 5 additional minutes.

Mr. BYRD of West Virginia. In behalf of the Senator from Arizona, I yield the Senator from Florida 5 additional minutes.

Mr. HAYDEN. I yield such time as the Senator desires.

Mr. HOLLAND. The fact is that the distinguished Senator from South Dakota has already indicated, by his line of questioning, that he has no confidence in our ability to cut. His amendment is addressed to what will be the case after we get through appropriating. He has shown no confidence in what the Senate will do, what the House will do, or what Congress will do. The Senator from Florida expressed high confidence weeks ago—even the Director of the Budget questioned my recommendations and beliefs at the recent hearings, which were attended by the Senator from South Dakota. It has now been made clear that the Senator from Florida was conservative, because I then underestimated the actual cuts that are being made.

My own feeling, Mr. President, is that this proposal is a proposal to vote no

confidence in the Senate, in the House of Representatives or in Congress in handling these matters, and, instead, to say that we cannot do the job, and that when we get through, notwithstanding the fact that we know what the economic condition is, we want the Executive to apply an additional 5-percent cut to all controllable items, which, as I have figured them here, would be about \$1.9 billion.

I yield again.

Mr. MUNDT. If the Senator wishes to define this as a no-confidence vote, the Senator from South Dakota will accept that definition, and relate it to the situation, as he sees it, now confronting Congress and the country.

Mr. HOLLAND. Mr. President, if the Senator wishes me to yield for a question, I will be happy to do so, but not for a speech. I am on controlled time.

Mr. MUNDT. Is this not then, really, a no-confidence vote on the theory that if we expect to save \$6 billion against a \$26 billion deficit, that such a saving is enough? That is the kind of no-confidence vote it is. We have done a little, but we have not done enough.

Mr. HOLLAND. Mr. President, I think the Senator's amendment clearly shows no confidence in the House of Representatives, because he plainly says:

Subsequent to the enactment into law during the first session of the 90th Congress of the appropriation bills for fiscal year 1968—

That is, after we have done the best we can—

the executive branch is directed, subject to subsection (b)—

Which is the transferability section—to reduce by at least 5 percent each line item appropriation—

Which is controlled.

Mr. President, if that is not an expression of no confidence, an expression that he does not believe we are going to do our duty, that he does not believe we understand the economic situation, that he does not believe we would be able to take care of our people, I do not know what that amendment is.

Mr. President, I am especially distressed that this amendment comes from the distinguished Senator, because it strikes peculiarly at some of the very appropriations he has urged in the subcommittee which I head, and of which he is a distinguished member, or has been in the past, and in the full Appropriations Committee, and on the floor of the Senate time after time.

I refer back to the REA appropriations. Each year since I have been chairman of that subcommittee, the distinguished Senator from South Dakota has tried to raise substantially the budget amount. He did the same thing this year. We did raise the amount to some extent. However, that item was reduced in conference, so that we are now back to the budget figure.

The point I make is that the Senate is now asked to reduce that budget recommended amount again by 5 percent.

I received from the Department of Agriculture a preliminary statement showing how it interpreted the reduction would apply.

The statement contains the items to which that 5-percent reduction would



be directed. I do not have the time to read the entire list as I would like to do, but for REA loans, the reduction could amount to \$58.9 million. I think the Senator would almost have a spasm were I to say that he is now suggesting a cut in the budget amount on REA appropriations of \$58.9 million.

The Agriculture Subcommittee has been very greatly interested in the Farmers Home Administration loan programs. Again, the Senator from South Dakota frequently has wanted to exceed the budget amount, and he did so again this year. In the statement I have received from the Secretary of Agriculture, he states that this amount might be reduced by \$45.6 million.

To my mind, the position now taken by the distinguished Senator is completely inconsistent with the stand of his party, which is not to surrender legislative power to the executive and with his own position taken time after time on the floor of the Senate and elsewhere, and it is entirely inconsistent with the position he has taken in the Appropriations Committee, not only heretofore, but also in this present year and in the passage of these particular bills. And I am referring now to the REA items and the Farmers Home Administration loan items in the agricultural appropriations bill.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG of North Dakota. Did I correctly understand the senior Senator from Florida to say that it would mean a reduction of \$58.9 million in the REA loans?

Mr. HOLLAND. I have a statement from the Secretary of Agriculture in which he states that \$58.9 million might be the cut in the REA loans and, on the Farmers Home Administration loans, it could be \$45.6 million.

The Senator is forgetting, I think, that transferability is given, and he is forgetting that the duty will fall upon the executive branch, and that means largely upon the secretaries in the various departments, to decide where the reductions, as directed against all controllable items, will be applied.

When I see that the Secretary of Agriculture says that the crop insurance program will be subject to a cut of \$5.9 million in funds, that makes me most anxious. And when I see that the REA loans will be subject to a cut of \$58.9 million, it makes me anxious. And when I see that the Farmers Home Administration loans will be subjected to a cut of \$45.6 million, it makes me anxious.

These possible reductions disturb me very much. The Senator from North Dakota has repeatedly shown his interest in all three programs. The Senator from South Dakota has done the same thing.

I call attention to the fact that if the Senators have not thought this matter through, now is the time to do so. The Senators are taking positions that are completely inconsistent with the positions they have taken on the floor of the Senate, in speeches they have made, and in committee. I hope that they will reconsider their position.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG of North Dakota. Mr. President, \$58.9 million would figure out to more than 20 percent of the loan authorization.

The Secretary can, of course, withhold all the funds if he wants to. The President of the United States last year held up some \$40 million or \$50 million, most of it until the last day.

The administration can rip up all of the appropriation, if they want to do so, and it can withhold this amount of money without the Mundt amendment.

Where the Secretary of Agriculture, however, gets the figure of \$58.9 million is more than I can understand. This is being very unfair to the sponsors of the bill and to the farmers of this Nation.

Mr. HOLLAND. Mr. President, all I can say is that the Secretary has given me that information, and I have put it where Senators may see it and realize that what they are being asked to vote for is something that may very seriously harm programs in which they are vitally interested.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I yield 5 additional minutes to the senior Senator from Florida.

The PRESIDING OFFICER. The senior Senator from Florida is recognized for 5 minutes.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. MONRONEY. Mr. President, I am afraid that the wrong impression has been unconsciously given, and that the figures indicated by the senior Senator from Florida do not constitute the entire power that would be given under the pending amendment.

As I read the amendment, the President is directed to reduce by at least 5 percent each line item appropriation, other than the appropriations for military functions and items determined by the Director of the Bureau of the Budget.

So what we are voting on under the Mundt amendment is to give the power to the President to reduce not by 5 percent, but by as much as 100 percent the items outlined on page S15223 of the CONGRESSIONAL RECORD.

The President can reduce the agricultural appropriation by \$3,900,000,00 if he so desires. He can reduce the appropriations for the Corps of Engineers by \$1,300,000,000 under the Mundt amendment. He can reduce the appropriation for Housing and Urban Redevelopment by \$1,100,000,000. The President can reduce the appropriation for the Post Office by \$585,000,000, over half a billion dollars.

Under the Mundt amendment the President would have the power to cut appropriations on certain items 100 percent.

The only way that I see to correct the situation would be to offer an amendment that the President must cut appro-

priations by 5 percent, but by no more than 10 percent. We should have some limitation, or we are empowering the President and his agencies to withhold or cut the entire amount of an appropriation. The Mundt amendment is unlimited with respect to the amount of reduction that can be made.

When we say that the President must cut appropriations by at least 5 percent, we are saying, in spite of all the arguments that have been made, that \$1,600,000,000 of veterans' benefits are subject to reduction. The amount of the reduction will be at least 5 percent, or any amount more that the President might wish to make.

This constitutes a direction to the President, and I think the matter should be clarified so that there is some ceiling short of 100 percent that can be cut from the funds that Congress has allocated after many months of effort. The Senator has stated that \$5 billion has been cut already from the President's budget.

Mr. HOLLAND. Mr. President, I thank the Senator from Oklahoma. The list placed in the RECORD by the distinguished Senator from North Dakota [Mr. Young] is a list furnished by the Director of the Budget. That list shows that \$1,600 million of the Veterans' Administration's appropriations are subject to the cut. That is, they are controlled.

The remainder of the Veterans' appropriations is not controlled. That means the items for retirement, for disability payments, and for pensions are not controlled. However, the \$1,600 million item is controlled.

Mr. President, I have had a regular outpouring of protests from citizens in my State and from organizations including the American Legion, the Veterans of Foreign Wars, the Disabled Army Veterans, and other groups who say:

"This is aimed at our hospital projects and our medical protection and all of the other things except uncontrollable items."

Those uncontrolled items are few, and I have already named them.

I do not see how my distinguished friends can urge the Senate to direct such a meat-ax approach to that huge sum, \$1.6 billion in veterans' appropriations.

Mr. President, I hope they will recant, and I hope they will decide that they cannot go along with this approach.

As the Senator from Oklahoma knows, I suggested in committee that there be a ceiling put on the cuts that could be made. The Senator from Oklahoma has correctly stated the situation, that when this cut of at least 5 percent is made in every controllable item, then cuts can be made wherever the executive wants to make them. We all know how the executive branch feels toward certain of our most cherished objectives.

Mr. President, I hope that we shall defeat this amendment.

The PRESIDING OFFICER (Mr. NELSON in the chair). The time of the Senator has expired.

Mr. HOLLAND. Mr. President, I ask that I may proceed for 1 additional minute.



Mr. BYRD of West Virginia. Mr. President, I yield 1 additional minute to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to state for the RECORD, without encumbering it with the actual wires; themselves the list of wires which I have received from veterans and other organizations in connection with this matter. I ask unanimous consent that the entire list be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

1. Telegram from Ralph A. Johnson, State Adjutant, American Legion, Orlando, Florida.
2. Telegram from Francis J. Beaton, National Commander, Disabled American Veterans, Washington, D.C.
3. Telegram from Charles N. Girard, National Representative, Disabled American Veterans, assigned to VA Regional Hospitals, St. Petersburg, Florida.
4. Telegram from Vance M. Watson, Commander, Department of Florida, Veterans of Foreign Wars, Ocala, Florida.
5. Letter from Howard M. Duncanson, Senior Vice Commander, Veterans of Foreign Wars, Department of Florida, Hollywood, Florida.
6. Telegram from Melvin T. Dixon, State Service Officer, VA Regional Center, St. Petersburg, Florida.
7. Telegram from Thomas F. Kettie, President, County Service Offices Association, St. Petersburg, Florida.
8. Telegram from Dr. William C. Roffin, Jr., President, Florida Psychiatric Society, Gainesville, Florida.
9. Telegram from Dr. Haxden C. Nicholson, Vice President for Medical Affairs, University of Miami School of Medicine.
10. Telegram from Robert D. Partridge, Acting General Manager, National Rural Electric Cooperative Association.

Mr. HOLLAND. I also see my distinguished friend, the Senator from Alabama [Mr. HILL], in the Chamber.

I have had wires from the heads of various mental health and psychiatric groups, insisting that they not be subjected to this cut, and that the research which is protecting those groups not be suggested to this inhuman cut; and I certainly add my voice to that plea.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield, if my time permits.

Mr. BYRD of West Virginia. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. MUNDT. Mr. President, I suggest, in the interest of accuracy, that the Senator separate his list of wires with respect to those that deplore the House action and those that are directed against the Mundt amendment, because there is a difference in the wires received.

Mr. HOLLAND. There is some difference. Yet, the amount being shot at now happens to be the same, because our cut in the appropriations process is going to be over \$5 billion, and the Senator's amendment requests an additional \$2 billion cut, or \$7 billion, and that is what they were aiming at in the House. So far as I am concerned, I see no substantial difference.

We are asking that mutilation be directed against certain of the appropriations which most of us hold very, very

dear, particularly those of us who have served in the Armed Forces. I shall never be a part to applying such a huge cut against the Veterans' Administration program.

Mr. YOUNG of North Dakota. Under the House action, by a substantial majority, a \$7 billion cut would be required. Under the amendment offered by the Senator from Delaware, a \$5 billion cut would be required.

Mr. HOLLAND. No.

Mr. YOUNG of North Dakota. Under the amendment offered by the Senator from South Dakota, about \$2 billion would be cut. It seems to me that this is the lowest possible further cut we would want to make in the Senate, if we believe in economy.

Mr. HOLLAND. Mr. President, to the contrary, the distinguished Senator from South Dakota, in his remarks of yesterday made it clear that he was shooting at a \$7 billion cut—\$5 billion from the committee and \$2 billion in addition through his amendment. I ask unanimous consent, to save time, that three portions of his remarks in the RECORD of yesterday be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SENATOR MUNDT'S REMARKS OF OCTOBER 24, 1967, CONGRESSIONAL RECORD, SENATE PAGE S15230

The statistics are about as follows. The Congress has economized to the extent of about \$2 billion on the appropriation bills which we have thus far enacted, which means that we have given the President about \$2 billion less than he requested. That is an economy brought about by congressional action. On the remaining appropriation bills that are in conference or that have not yet been enacted, it is hoped we can save another \$2 billion or perhaps \$3 billion. This means that we expect to reduce the Presidential requests by a total effort of from \$4 to \$5 billion.

By this amendment we will slash back from controllable expenditures approximately another \$2 billion. So we will wind up with a total congressional saving, if my amendment is adopted, as against the budgetary requests of the President, of between \$6 and \$7 billion. That is almost the precise amount the President says he will get by taking it away from the taxpayers with a 10-percent surtax, if Congress makes it possible for him to do so.

The PRESIDING OFFICER. Who yields time?

Mr. MUNDT. I yield time.

There should be some relevancy, some accuracy, in this debate.

The Senator from Florida has to know that his criticism is completely mistaken, when he says that my amendment would result in a \$7 billion cut. The \$2 billion has been cut. I wish I could claim credit for that, but I cannot. The \$3, \$4, or \$5 billion he expects to be cut, if he cuts it, will be cut in the future. So neither can I claim credit for that.

My amendment deals with the residue which has not been cut, which is a maximum now of \$1.9 billion; and any attempt to twist the semantics to make it appear that my amendment makes a greater cut falls into an arithmetical pitfall. It is wrong. You cannot argue with the multiplication table.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MONRONEY. Will the Senator interpret the meaning of "to reduce by not less than 5 percent each line item other than appropriated for military functions and those items determined by the Bureau of the Budget?"

We have a list to which he referred; \$38 billion is controllable, and the Senator is proposing to cut this amount by not less than 5 percent. It can go to 100 percent, if the President wishes. This is the greatest grant of power I have ever seen offered by a Senator on the floor during my service in the Senate.

Mr. MUNDT. Let me point this out. I am not going to repeat it another time, because if the Senator will not listen, he will not.

I have said that I have put this in conformity with the law written in 1951. It is the law. You cannot change that.

The Senator's repetition of "5 percent" reminds me of Abraham Lincoln's unlikely experience, when he spoke of a debate he was having in a courtroom:

Simply continuing to call the tail of a calf a leg is never going to prove that a calf has five legs.

The Senator's repetition of "at least 5 percent, at least 5 percent, at least 5 percent" will not change the law. Under the law and under my amendment he is not required to cut any specific line item in the slightest if he feels such a cut is unwise.

I yield to the Senator from Mississippi as much time as he requires.

Mr. STENNIS. I thank the Senator. I do not wish to be selfish with the time.

Mr. President, I said a few minutes ago that this is not the best way to reduce appropriations. But it is the second best way. I believe it is the only way left this year to make these reductions, and my overwhelming conviction is that we must move into this problem. We are facing a problem. It has a practical side.

There has been talk during the debate of cutting the appropriations for veterans' psychiatric wards. I do not believe that anyone—the President or Congress—will reduce money under this amendment for a psychiatric ward or any other need of a veteran. As I understand the figures, the reduction under this amendment could be no larger than \$7 billion.

The Senator from Arkansas is very regular in his principles and what he stands for, but there still is an opportunity for him to reduce the programs he does not like in the bills that must come before the Senate. That is when a fight can be made with respect to them, and I know that he will fight them.

Mr. McCLELLAN. It is difficult, from my observation here, to get any encouragement, because the people who voted for these programs now come in and vote for a reduction.

Mr. STENNIS. I believe the Senator will have an opportunity to reduce them, quite frankly. He will have his day in court.

Mr. President, we already are faced with a deficit of approximately \$29 billion. The deficit is mounting, and now



the war is costing approximately \$2½ billion a month. This is causing inflation, which is now with us, resulting in rising prices for the middle income, the lower income, the so-called little families, the little people.

I understand that already this year we have had an estimated 3-percent rise in prices due to inflation; perhaps it will be 4 percent next year. That would mean a 7-percent increase in 2 years, if the figures are accurate. I do not know whether they are. It is estimated that within 10 years, even if the increase is only 2½ percent per year, we will have inflation of 25 percent, which cuts into the very bone and muscle of every dollar a person has to spend.

When are we going to make an effort to stop it? If not in this bill, when?

We will have a supplemental bill before us in a few days. A year ago a bill that was supposed to take care of only deficiencies contained an appropriation of over \$5 billion. That is the so-called supplemental bill. It is only supposed to cover deficiencies. I do not know what the amount will be this year. The figures I have given do not include the military. I suppose the amount will be somewhat less, but it will be a large sum of money—on and on and on.

This January, we had a supplemental appropriation for the military program on facts that had been known for a long time. This January, it ran over \$12 billion. The January before, it was \$13 billion.

That is what drives me to the conclusion I have reached. I do not like the idea of delegating authority to the President on these items. Who does? However, we are up against a situation here where the legislative year is virtually over, and I submit that something has to be done.

Mr. President, this is a mild, modest, small deduction. Do not be frightened by some of the scary stories. What is being said about this amendment could be said against any amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. MUNDT. Mr. President, I yield to the Senator from Mississippi on the joint resolution.

Mr. STENNIS. I thank the Senator. I did not know there was any further time available for debate.

Mr. President, I wish to emphasize that time has run out on Congress and more particularly time has run out on the Senate. I think we have to fill in this void, accept this challenge, go to con-

ference with something positive on our side of the bill, and do the best we can to meet the situation with the House conferees. There is every reason to believe they would be reasonable about this matter; but until we show some kind of action on this side by a recorded vote I do not believe we are going to fulfill our responsibility, and I do not believe we are going to get much of a drive started to make these reductions. Many senators myself included have voted for the appropriations that would now be cut. Perhaps we wish we could take back some of those votes.

Mr. President, I plead with the Senate not to go off on the sideline, but try to do something to meet this real problem.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I ask unanimous consent that there be printed in the RECORD the statement prepared for me by the Committee on Appropriations showing savings already accomplished and reasonably expected to be accomplished in the three remaining bills.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTION ON BUDGET ESTIMATES OF "APPROPRIATIONS" IN APPROPRIATION BILLS, FISCAL YEAR 1968, 90TH CONG., 1ST SESS., AS OF OCT. 25, 1967

(1)	Budget estimates considered by House (2)	Passed House (3)	Budget estimates considered by Senate (4)	Passed Senate (5)	Enacted or Senate conference amount (6)	Plus (+) or minus (−) latest action compared to budget (7)
Bills for fiscal 1968, passed Senate and House:						
Treasury-Post Office.....	\$7,613,787,000	\$7,499,230,000	\$7,615,148,000	\$7,555,167,000	\$7,545,641,000	−\$69,507,000
Interior.....	1,443,793,000	1,365,310,150	1,458,218,000	1,399,359,550	1,382,848,350	−75,369,650
Loan and contract authorizations.....	(30,700,000)	(16,200,000)	(30,700,000)	(16,200,000)	(16,200,000)	(−14,500,000)
Independent offices-HUD.....	10,804,642,700	10,013,178,782	10,820,513,700	10,514,830,900	10,139,473,900	−681,039,800
Contract authorization.....	(40,000,000)		(40,000,000)	(40,000,000)	(10,000,000)	(−30,000,000)
Labor-HEW.....	13,322,603,000	13,137,488,000	13,424,146,000	13,421,660,000	13,276,071,000	−148,075,000
State, Justice, Commerce, and Judiciary.....	2,342,942,000	2,194,026,500	2,347,803,195	2,186,105,500	2,169,012,500	−178,790,695
Legislative.....	231,311,132	228,089,952	276,005,210	275,885,804	275,699,035	−306,175
Agriculture.....	5,021,097,400	4,770,580,950	5,021,097,400	6,782,529,789	4,952,945,700	−68,151,700
Loan authorization.....	(859,600,000)	(859,600,000)	(859,600,000)	(909,000,000)	(859,600,000)	
Defense.....	71,584,000,000	70,295,200,000	71,584,000,000	70,132,320,000	69,936,620,000	−1,647,380,000
Transportation.....	1,718,618,772	1,530,198,372	1,718,618,772	1,651,407,272	1,581,905,772	−136,713,000
Public Works.....	4,867,813,000	4,622,922,000	4,867,813,000	4,776,064,000	4,712,813,000	−155,000,000
NASA.....	5,100,000,000	4,583,400,000	5,100,000,000	4,678,900,000	4,588,900,000	−511,100,000
Subtotal, 1968 bills, passed Senate and House.....	124,050,608,004	120,239,624,706	124,233,363,277	123,374,229,815	120,561,930,257	−3,671,433,020
Bills for fiscal 1968, not passed:						
Military construction.....	2,937,000,000	2,142,693,000	2,937,000,000		2,142,693,000	−794,307,000
Foreign assistance.....	3,818,736,000		3,818,736,000		3,137,113,000	−681,623,000
Supplemental (poverty, etc.).....	2,284,949,000		2,284,949,000		2,284,949,000	
Federal payment and Federal loan appropriation, District of Columbia.....	113,099,000	113,099,000	113,099,000		113,099,000	
Subtotal, 1968 bills, not passed.....	9,153,784,000		9,153,784,000		7,677,854,000	−1,475,930,000
Grand total.....	133,204,392,004		133,387,147,277		128,239,784,257	−5,147,363,020

<sup>1</sup> Final conference figure.

<sup>2</sup> Assumes Senate position, which is \$20,661,000 over amount considered as House position.

<sup>3</sup> Assumes Senate figure of \$225,000,000 for water pollution, \$22,000,000 over House position.

<sup>4</sup> Final conference figure.

<sup>5</sup> Assumes House-passed figure will prevail.

<sup>6</sup> Assumes Senate authorization figure for title I and budget estimate on other titles.

<sup>7</sup> Assumes entire amount of budget estimate will be approved.

<sup>8</sup> Assumes House-passed figure will prevail.

Mr. HOLLAND. Mr. President, I wish to read some of the words of the Senator from South Dakota which appear on page 15230 where he said:

This means that we expect to reduce the presidential requests by a total effort of from \$4 billion to \$5 billion—

Incidentally, as I have just shown that amount will be over \$5 billion—

By this amendment we will slash back from controllable expenditures approximately another \$2 billion. So we will wind up with a total congressional saving, if my amendment is adopted, as against the budgetary requests of the President, of between \$6 billion and \$7 billion.

It now appears the amount will be over \$7 billion in view of the latest developments.

I thank the Senator for yielding to me.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and it will be a brief quorum. I suggest it be taken out of our time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. Presi-

dent, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MUNDT. Mr. President, I had requested an additional 5 minutes on the bill primarily to respond to my congenial and able friend from Florida. For some reason or other, he has elected to make me the target of his remarks for about 20 minutes. I do not object to that. That is the responsibility of one who wishes



to offer to economize in this country; and those who do not believe in the economizing single you out. I asked for it, and I got it. However, if he thinks he is going to frighten me out of fighting for economy because maybe some project in South Dakota may have to bear the burden of a cut, he is wrong. That may be so south of the Mason and Dixon Line, but not in the West. We are prepared to accept our share.

Second, I am appalled at the scare tactics he applied. I am surprised at the scare tactics he employed. He tells us, "Don't do this or \$50 million will be taken off REA." Five percent, my friends, of the REA appropriation, if he took the whole 5 percent suggested, would be \$20 million. But you do not have to encourage this fellow in the White House if he decides to be against REA. He took off over \$50 million 2 years ago and corrective action had to be taken by the Senate. We had to move to rescind his action and we did. We could again put it back on the first supplementary bill that comes along. There was reference also to the veterans appropriations. If the President were to do that, he would use a malicious meat ax to beat people on the head. I challenge him to do it and get by with it, if the Senator from Florida has so little confidence in his demonstrating good judgment.

I do not share that lack of confidence. I do not think the President would engage in that business. Of course, it would be possible to do so under the law of the land as it prevails today.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. YOUNG of North Dakota. According to the figures given us by the Bureau of the Budget \$3.9 billion would be subject to cut, in the agriculture appropriations bill and 5 percent of that amount would be about \$200 million.

I refuse to believe that the Secretary of Agriculture is so against REA that he would apply more than a fourth of the mandatory cut to REA, when the repayment is about 100 percent. I refuse to believe he is that poorly advised. I know he is a poor Secretary of Agriculture in some ways, but not that bad.

Mr. MUNDT. The Secretary of Agriculture was sort of the leading advocate of expenditures in his State. He finally lost out as Governor because his State had gone into debt.

He is now a part of the President's team. This could happen if one has no confidence in his President. Here is one Republican who says that he does not believe the President is going to act with that kind of malice. If he does we can correct it. I do not think he will but should he do so, we have our own weapons available to correct such intemperate actions.

I would like to point out further that the Senator from Florida suggested that it could be taken away from the veterans, and they paraded a lot of amputees and serious mental cases around and said that is where the President would take it out. I do not know what kind of cruel person these Senators think the President is to believe and predict he would take the big meat ax against them. But we could cor-

rect such action also in the first bill that comes along and we would, and Senators know that we would.

With respect to most of the wires that the Senator from Florida read into the Record to the effect "don't touch the Mundt amendment," some people do not want any cut. I have discovered that when people do not want any economies they are most anxious to find arguments to support the position of spending. They talk about the possibility the President might cut this off or that off and do a lot of things which no responsible man would do, and consequently destroy certain functions of government.

Mr. President, it simply gets down to this: Do we want to do something about economy? This is the least you can do. Or would you like to send conferees of the Senate over to the House of Representatives emptyhanded, just carrying a couple of bottles of red ink and saying "Show us the conference report—no cut." Or do you want to send a constructive proposal over so we will have the entire problem before us in conference and out of this resolve the most sensible, effective, and efficient method to produce reductions in spending?

If we slap the House in the face, if we say to the 110 majority that voted for some cuts, "You are wrong; we do not have to economize," we shall be following the philosophy of Harry Hopkins—"Spend, spend, spend; bring on your tax bill."

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. I yield myself 5 more minutes on the bill.

It is important that we look at the situation rationally. It is easy to get excited; it is easy to get emotional. But this is, after all, a mathematical problem.

I am pleading now for five votes. The Williams of Delaware amendment was lost by nine votes. Since then, four Senators have announced themselves. They have come to me and said they will vote for my amendment. I need the other five votes. The country needs the other five. The taxpayers need the other five. With those five votes, we can switch the movement so that we can do something constructive and effective for economy.

I make the plea: Let us not repudiate the House. Let us not reject the House thrust toward economy. Let us take this 5-percent reduction amendment to the House. It will not be the final legislation. It will have to be discussed, analyzed, amended, and changed. It can be changed in any way we want to change it in the conference between the Senate and the House. But if we vote in favor of the amendment, we will join the House in one important declaration. The House has declared that it wants economy. The House has taken one approach. By agreeing to this amendment, we shall have declared that we want economy, and we offer another approach. Within those two directives, the resolution can come back to us for our consideration of any proposal resembling some economy, and we can look at it again.

We will have complete latitude to do anything but spend more money. We will have complete latitude in the conference

to do anything to economize. This will open the door for a meaningful movement toward economy.

One final word: What are we going to do when the tax bill comes up? I wonder if any other Senators have said what I have said: That we are not going to vote for a tax bill unless something is done toward economy, unless we have done something to reduce expenditures. I have said that; I am standing on it. I am sure others have said the same.

We are confronted with a logjam. The House Committee on Ways and Means will not meet; the Senate Committee on Finance is not meeting on taxes. Congress says it will not tell the President where to cut. The President says he wants Congress to tell him where to cut. So we are stuck.

But while we delay, inflation marches forward steadily every day, imposing the most iniquitous tax of all on the people of our respective States, taking out of the households of America bits and pieces of coin every day.

We cannot close our eyes and say, "Go away. Let us delay this until November 15." How much smaller will the deficit be 2 weeks from now? It is time we faced up to the task of economizing. It is going to be a long conference, believe me, no matter what we do. We ought to provide some constructive guidelines.

We should say, "Mr. President, we will break the logjam. We will cooperate. We will go so far as to tell you how much money we want to save. We will name the places where you can save it; then you should proceed to reduce expenditures. We will give you flexibility, but we think you should cooperate." My amendment is cooperation. It is a step in advance.

I do not think our constituents are appealed to greatly by the fact that we say, "We stand on our own. Make the President cut first. He stands on his own." So why not cooperate?

I realize I am in a curious position as a Republican pleading the cause of Democrats, asking them to show some confidence in their President. But I have offered an amendment which I believe will do the right thing in being cooperative with the President. Some Democrats ought to be making this speech. I think we ought to have some confidence in the President in this effort to economize. We know he is making monumental decisions every day, decisions of far greater importance to the country, perhaps, than we make here today. If we have no more confidence in him than that, I think we are in serious condition and the country is in serious peril.

I am like the Senator from Mississippi [Mr. STENNIS] and the Senator from Florida [Mr. HOLLAND]. I am glad we have effectuated some economies. I hope we will effectuate some more on our remaining appropriations bills. But I am disappointed that we are not doing better. I am proposing that we do more. I am proposing that we add an extra \$2 billion to whatever amount we have saved and whatever we expect to save on the few remaining bills. Even then, when we are all finished, we will still be woefully short of meeting the challenge of a \$26 billion or a \$29 billion deficit



and the President's persistent demands for more tax revenue.

We can ill-afford to brag about the dollars we have cut back from an inflated Presidential estimate. That is all we have done. Now we must reconcile ourselves to the facts. I urge that we do so. I urge all Senators to cast their votes in such a way as not to discourage this economy effort, not to reject it, but by an affirmative vote send to conference another workable approach to the problem of economy.

Mr. BYRD of West Virginia. Mr. President, the Budget Director, as I mentioned earlier, listed for the Appropriations Committee some 75 controllable programs of the Federal Government. The list was not complete, but it included the major items. As reflected in the printed hearings, the Director discussed the dollar level of these controllable programs. These are the agencies, the bureaus, and the individual programs would be affected by the Mundt amendment.

As I mentioned earlier, it is impossible to tell where the cuts would be made because of the discretion given to the President. But I have made some rough calculations to see how a 5-percent cut would work out in dollar terms. And bear in mind that these are additional cuts. Before they would be made, the original budget request would already have been whittled down, step by step, by the department head, the Budget Bureau, the President, the House Appropriations Committee, and the full House, the Senate Appropriations Committee, and the full Senate.

Throughout these stages, experts with sharp pencils have been at work. The figure from which the following additional reductions would be taken can hardly have any real fat left. All of the following reductions would have the full, direct dollar impact on the programs themselves.

The list is a long one. I hesitate to impose on my colleagues a full reading of all of the items. But perhaps this is the only way to finally bring home to us the meaning of what we are considering here. One last thing to bear in mind—these are the dollar cuts required by the Mundt amendment.

Department of Agriculture: Food for peace, Public Law 480, \$89 million; rural electrification loans, \$22 million; Forest Service, \$12 million; Agricultural Research Service, \$12 million; school lunch, \$10 million; food stamp, \$10 million; special milk, \$5 million; watershed protection projects, \$4 million; Farmers Home Administration, water and waste disposal grants, \$2 million; Farmers Home Administration, salaries and expenses, \$3 million.

Department of Commerce: Economic development assistance, \$20 million; weather and other environmental services, \$9 million; Maritime Administration, ship construction, \$7 million; Census, \$3 million.

Corps of Engineers: General construction, \$49 million; other, \$17 million.

Department of Health, Education, and Welfare: Office of Education, elementary and secondary educational activities, \$84 million; Office of Education, higher edu-

cational activities, \$59 million; Office of Education, school assistance in federally affected areas, \$22 million; Office of Education, expansion and improvement of vocational education, \$13 million; Public Health Service, National Institutes of Health and National Institute of Mental Health, \$77 million; Public Health Service, construction of health educational facilities, \$10 million; Public Health Service, health manpower education, \$9 million; Public Health Service, other disease prevention and environmental control programs, \$8 million; grants for maternal and child welfare, \$12 million; hospital construction Hill-Burton, \$15 million.

Department of Housing and Urban Development: Model cities program, \$33 million; water and sewer grants, \$8 million; housing for the elderly or handicapped, \$4 million.

Department of the Interior: Bureau of Indian Affairs, \$11 million; construction grants for waste treatment works, \$10 million; land and water conservation, \$6 million; fisheries and wildlife programs, \$5 million; Bureau of Reclamation, construction and rehabilitation, \$9 million; power marketing agencies, \$8 million; water supply and water pollution control, \$5 million.

Department of Justice: Federal Bureau of Investigation, \$9 million; legal activities and administration, \$5 million; Immigration and Naturalization Service, \$4 million.

Department of Labor: Manpower development and training activities, \$20 million; wage and labor standards, \$2 million.

Post Office Department: Plant and equipment, \$10 million; administration and regional operation, \$5 million; Research development and engineering, \$1 million.

Department of State: Administration of foreign affairs, \$11 million; educational exchange, \$3 million.

Department of Transportation: Coast Guard, \$26 million; supersonic transport, \$10 million; other Federal Aviation Administration, \$34 million; Federal Highway Administration, \$3 million.

Treasury Department: Internal Revenue Service, \$35 million; Bureau of Customs, \$4 million; Bureaus of Public Debt and Accounts, \$5 million.

Economic Assistance—Agency for International Development: Loans and guarantee programs, \$65 million; Vietnam supporting assistance, \$28 million; grants and other, \$39 million.

Atomic Energy Commission: Operating expenses, \$109 million; plant and capital equipment, \$24 million.

General Services Administration: Operation of public buildings, \$13 million; repair, improvement and construction of public buildings, \$8 million.

National Aeronautics and Space Administration: Research and development, \$200 million; administrative operations, \$30 million.

National Science Foundation: Salaries and expenses, \$26 million.

Office of Economic Opportunity: Community action programs, \$51 million; Job Corps, \$15 million; work and training programs, \$32 million.

U.S. Information Agency: Salaries and

expenses, \$9 million; radio facilities, \$1 million.

Veterans' Administration: Medical care, \$68 million; general operating expenses, \$9 million.

I urge the rejection of the Mundt amendment.

Mr. MANSFIELD. Mr. President, I yield back the time remaining to the Senator from Arizona.

Mr. MUNDT. I yield back the remainder of my time, unless it has all been used.

Mr. BYRD of West Virginia. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska, [Mr. GRUENING] and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING], the Senator from Oregon [Mr. MORSE], and the Senator from Alabama [Mr. SPARKMAN] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Massachusetts [Mr. BROOKE] is absent on official business.

The Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Massachusetts [Mr. BROOKE], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] would each vote "yea."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Oregon [Mr. HATFIELD]. If present and voting, the Senator from California would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas 43, nays 46, as follows:

[No. 300 Leg.]

YEAS—43

Allott	Fannin	Pearson
Baker	Griffin	Percy
Bennett	Hansen	Prouty
Bible	Hickenlooper	Proxmire
Boggs	Hollings	Ribicoff
Byrd, Va.	Hruska	Russell
Carlson	Javits	Spong
Church	Jordan, Idaho	Stennis
Cooper	Lausche	Symington
Cotton	McGovern	Talmadge
Curtis	Morton	Thurmond
Dirksen	Mundt	Williams, Del.
Dominick	Murphy	Young, N. Dak.
Eastland	Nelson	
Ervin	Pastore	

NAYS—46

Aiken	Byrd, W. Va.	Gore
Anderson	Cannon	Harris
Bartlett	Case	Hart
Bayh	Clark	Hartke
Brewster	Ellender	Hayden
Burdick	Fong	Hill



Holland	McClellan	Randolph
Inouye	McGee	Scott
Jackson	McIntyre	Smathers
Jordan, N.C.	Metcalfe	Smith
Kennedy, Mass.	Mondale	Tydings
Kennedy, N.Y.	Monroney	Williams, N.J.
Long, Mo.	Montoya	Yarborough
Long, La.	Moss	Young, Ohio
Magnuson	Muskie	
Mansfield	Pell	

## NOT VOTING—11

Brooke	Hatfield	Morse
Dodd	Kuchel	Sparkman
Fulbright	McCarthy	Tower
Gruening	Miller	

So Mr. MUNDT's amendment was rejected.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The question is on agreeing to the committee amendment to strike the language on page 1, line 6 beginning with the word "and." The time is under control.

The Senator from Illinois.

Mr. DIRKSEN. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The question first is on the committee amendment.

Mr. DIRKSEN. Oh, Mr. President, we have to amend before we vote on the committee amendment.

Mr. MUNDT. Mr. President, I have an amendment at this juncture.

The PRESIDING OFFICER. The Senator from Illinois offers an amendment in lieu of the committee amendment, which the clerk will state.

The legislative clerk read the amendment of Mr. DIRKSEN, as follows:

On page 1, line 6, beginning with the word "and" strike out down to and including line 13 on page 3 and insert the following:

"SEC. 2. (a) The Congress hereby finds that—

"(1) subsequent to the submission of the Budget for the fiscal year 1968 by the President in January of this year, conditions have drastically changed both as to estimated revenue receipts and estimated expenditures during the fiscal year 1968,

"(2) these changed conditions make a substantial reduction in such estimated expenditures imperative for the economic well-being and solvency of the country, and

"(3) the President has not taken or proposed action to effect a substantial reduction of such estimated expenditures.

"(b) It is the sense of the Congress that, before any final adjournment or recess of the first session of the Ninetieth Congress, the Congress should enact legislation limiting expenditures during the fiscal year 1968, whether from funds appropriated for such fiscal year or prior fiscal years, to an amount which is at least \$5,000,000,000 less than the expenditures proposed in the Budget submitted by the President, unless, prior to such adjournment or recess, the President has notified the Congress that he has taken the necessary action to reduce such proposed expenditures during the fiscal year by at least \$5,000,000,000."

## ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Illinois is recognized. How much time does he yield himself?

Mr. MANSFIELD. Mr. President, will the distinguished minority leader yield, without losing his right to the floor and the time not coming out of his time?

Mr. DIRKSEN. I yield with that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in view of the circumstances, I ask unanimous consent that the distinguished Senator from Mississippi [Mr. STENNIS] may be recognized at this time, apart from the time limitation agreed to, and with the proviso that when he concludes, the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], will regain the floor and that his amendment will be pending.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## ALLEGATIONS AGAINST SENATOR LONG OF MISSOURI

Mr. STENNIS. Mr. President, this is a matter of a report from the Select Committee on Standards and Conduct concerning the allegations that have been made with reference to the Senator from Missouri [Mr. LONG]. I propose, for the committee, to read this report in full, after prefacing it by a few preliminary remarks, and then make a few additional remarks in conclusion.

I am sure this is of general interest, Mr. President, so I ask that we may have order, so Senators can hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, Senators will recall that this matter arose through the allegations of an article in Life magazine and another newspaper or two, which were pointed out here on the floor of the Senate by the Senator from Delaware [Mr. WILLIAMS]. Soon thereafter, the committee talked with the Senator from Missouri [Mr. LONG] about the matter, and he very willingly came in—may we have order, Mr. President?

The PRESIDING OFFICER. Yes; the Senate must be in order. The Senator will suspend until order is restored. Attachés and others who are milling about will remove themselves from the Chamber. The Senate will be in order.

The Senator may proceed.

Mr. STENNIS. The Senator from Missouri came in and met with the committee, freely answered all questions that we asked, and gave us such information at that time as we desired.

Then, by unanimous vote of the committee, the chief counsel was directed to interview various persons who might have information about the payments to Senator Long that had been mentioned in the magazine article and other related matters. In all, the committee staff interviewed 33 persons, and obtained records from three additional sources other than from those witnesses. The staff made four trips to interview people in St. Louis, New York, South Bend, and Chicago, in addition to Washington, D.C.

Mr. President, this report represents the unanimous agreement of the full committee of six members. I am very glad to be able to say that all members of the committee attended almost every meeting that we had—I think every member was present at every meeting except when one Senator was out of town.

The committee held seven meetings for the primary purpose of discussing and going over this matter, in addition

to many other discussions that we had as individuals. The committee also held six hearings in executive session between July 17 and October 12 at which times the sworn testimony of 11 witnesses was heard.

I begin, now, to read the report, entitled "On the Matter of Senator EDWARD V. LONG, of Missouri:

The Committee has inquired into allegations against Senator Edward V. Long of Missouri. The allegations presented the principal issue as to whether payments made to Senator Long by Mr. Morris Shenker, a practicing attorney of St. Louis, Missouri, were made to influence the hearings on Invasions of Privacy conducted by the Judiciary Subcommittee on Administrative Practice and Procedure, of which Senator Long was the Chairman, for the purpose of assisting Mr. James Hoffa of the International Teamsters Union.

That was the gravamen of the charge, or, as we call it here—the principal issue—whether or not the payments from Mr. Shenker to Senator LONG were made to influence those hearings, any hearings, or any act on his part as a Senator:

Senator Long came before the Committee and stated that all payments made to him by Mr. Shenker represented his share of fees earned by Mr. Shenker and himself between 1961 and the present for professional legal services rendered by them to five clients whom he named.

I call attention here to those dates, which cover really a broader period of time than was mentioned in the original charge:

The Committee staff interviewed Mr. Shenker, the clients or their representatives, and others who were found to have knowledge of the relationship between Mr. Shenker and Senator Long and of the services rendered to the clients. Mr. Shenker, each of the clients or their representatives, and staff members of the Subcommittee on Administrative Practice and Procedure—

That was Senator LONG's subcommittee—

were then called before the Committee and testified under oath. At the direction of the Committee, the Committee staff obtained records of the clients and of Mr. Shenker—

I shall name these clients in a few minutes; they were substantial persons or groups, some of them associates in business enterprises of various kinds. I shall describe them more fully later; but most of them were not small clients by any means—

relating to the fees, payments and services, which were presented in detail to the Committee. These records included copies of checks and their endorsements for all payments from four of the clients to Mr. Shenker, as well as all payments from Mr. Shenker to Senator Long.

Enlarging on that just a little bit, the clients paid the money to Mr. Shenker, and then Mr. Shenker paid Senator LONG the agreed part, representing the division between them.

With a few exceptions which we think are minor, we had before us all the cancelled checks of all those clients, showing the date paid by the bank and the bank's stamp endorsement. In addition, we had all the checks that Mr. Shenker gave to Senator LONG, also with bank markings:

In the case of the fifth client, not all of the payment checks could be found, but other financial records substantiating the



payments were obtained. All of the checks bore regular bank endorsements showing dates of the payment by the bank, and also showed the amounts and the names of the payers and payees. This information corresponded with that of the payments stated to have been made by the clients and by Mr. Shenker.

To summarize briefly at this point: The testimony of Senator Long and Mr. Shenker was corroborated, without any deviation in substance, by the clients, and further corroborated by these checks for which we now have copies.

To mention just one by way of illustration, here is a check dated December 13, 1961, payable to Mr. Shenker, which shows that it was paid by a bank on December 27, 1961. All the checks bear similar markings by the bank, with the date always stated, as is customary.

Mr. Shenker testified before the committee that the payments made by him to Senator Long represented Senator Long's share of legal fees earned from the five clients. The five clients or their representatives testified that the payments made by them to Mr. Shenker were for legal services rendered to them over a number of years. They testified that they knew that Senator Long was associated with Mr. Shenker in rendering legal and business counsel relating to the client's interests.

That is an important sentence. The word "they" means all the clients or their representatives. There was an estate involved and there were corporations involved.

They testified that they knew that Senator Long was associated with Mr. Shenker in rendering legal and business counsel relating to the clients' interests.

According to the testimony of their clients, or their representatives, and Mr. Shenker, the payments from the clients to Mr. Shenker as well as the payments from Mr. Shenker to Senator Long had no relationship whatsoever to Mr. Hoffa or to the Teamsters Union.

There was not any testimony showing any relation between these payments and Mr. Hoffa or the Teamsters Union.

Ordinarily we would not consider it wise or necessary to disclose the names of clients in a case like this; but under the circumstances of this case we believe it is necessary in order to give completeness and clarity to the meaning of the other facts developed and in view of the seriousness of the charges made against Senator Long. Therefore, we name the five clients in question as follows: The R. L. Warren Company, a stock brokerage and underwriting firm in St. Louis; Banner Industries Inc., a retail merchandising chain based in St. Louis; the Associated Life Insurance Company, a life and personal casualty insurance company, whose home office is in Chicago and which does business in various States including Missouri; Mrs. Thelma Manne, a St. Louis woman who died in 1962; and Mr. Max Lubin, a St. Louis businessman.

The payment in the case of Mrs. Manne was made by her estate.

From the evidence and information that the committee has been able to develop, the committee has found no facts which show that either the payments to Mr. Shenker from the five clients, or the payments by Mr. Shenker to Senator Long, had any connection with Senator Long's duties or activities as chairman of the Subcommittee on Administrative Practice and Procedure, the subcommittee hearings, or Senator Long's duties or activities as a Member of the Senate.

Under this state of facts, the committee finds no basis for public hearings.

As is true in all matters coming before it, the committee will hold itself in readiness to consider any additional evidence which may become available relating to this matter.

That would, of course, include evidence that is already before the committee.

The report is approved on this, the 25th day of October 1967. It is signed by all six members of the committee.

In summary and in substance, this entire case comes down at the present time to this: There is no connection shown between these transactions and Senator Long's conduct as a Senator.

I refer back now for emphasis to what we stated in the very beginning paragraph:

The allegations presented the principal issue as to whether payments made to Senator Long by Mr. Morris Shenker, a practicing attorney of St. Louis, Missouri, were made to influence the hearings on Invasion of Privacy conducted by the Judiciary Subcommittee on Administrative Practice and Procedure, of which Senator Long was the chairman, for the purpose of assisting Mr. James Hoffa of the International Teamsters Union.

That is, either in hearings or in any of his conduct, as a U.S. Senator.

That is what we inquired into and that is what we directed our attention to.

I think one other factual matter ought to be stated in fairness to Senator Long. He and Mr. Shenker, who is a St. Louis lawyer with an extensive practice, have known each other for more than 25 years. That was part of the background that shed light on the case as a whole and showed that their association was not a sudden business connection that arose in this matter.

I think that covers the factual situation. I am not going to try to cover the evidence here, as I do not think it is necessary.

I did refer to the checks because they are documentary evidence showing the use of marking machines to indicate the date when the checks went through the bank in the normal course of business. They naturally have probative value.

Our activities were not confined merely to the persons I have mentioned here. Our activity went in other directions. We had sworn proof and testimony by some of the key staff members who conducted the subcommittee hearings. We went into many other matters. However, so far as we were able to determine, as I have said, there were no facts obtainable—and we can deal only in facts—that showed any connection other than that which I have described here and what the committee has described in its report.

That covers the report. I think it covers the necessary background of information. And I thank the Senate for the accommodation granted to the committee by way of unanimous consent.

Mr. President, for the sake of having the entire report in one place in the RECORD without any of my comments on the various parts thereof, I ask unanimous consent that the report be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STENNIS. Mr. President, there was not sufficient time to prepare copies of the report for all of the Senators. However, we will make the report available to all Senators who request it. The report, of course, will be printed in the RECORD.

I especially thank every member of the committee for the long hours, the great concern and the utmost care given to this matter. Also I wish to thank our highly capable chief counsel, Mr. Ben Fern; and assistant counsel, Mr. Mike Spence. Each has performed in an admirable way.

I think the other committee members have all lived up to the finest traditions expected of a Member of this great body.

Mr. President, we will now return primarily to our labor of getting up a set of standards of conduct for the Senate. We have been interrupted on this task before. We have, however, been working on it to some extent even during the course of this investigation. I hope that we can have this ready some time during this session of Congress.

#### EXHIBIT 1

SELECT COMMITTEE ON STANDARDS AND CONDUCT, U.S. SENATE, REPORT ON THE MATTER OF SENATOR EDWARD V. LONG OF MISSOURI

The Committee has inquired into allegations against Senator Edward V. Long of Missouri. The allegations presented the principal issue as to whether payments made to Senator Long by Mr. Morris Shenker, a practicing attorney of St. Louis, Missouri, were made to influence the hearings on Invasions of Privacy conducted by the Judiciary Subcommittee on Administrative Practice and Procedure, of which Senator Long was the Chairman, for the purpose of assisting Mr. James Hoffa of the International Teamsters Union.

Senator Long came before the Committee and stated that all payments made to him by Mr. Shenker represented his share of fees earned by Mr. Shenker and himself between 1961 and the present for professional legal services rendered by them to five clients whom he named.

The Committee staff interviewed Mr. Shenker, the clients or their representatives, and others who were found to have knowledge of the relationship between Mr. Shenker and Senator Long and of the services rendered to the clients. Mr. Shenker, each of the clients or their representatives, and staff members of the Subcommittee on Administrative Practice and Procedure were then called before the Committee and testified under oath. At the direction of the Committee, the Committee staff obtained records of the clients and of Mr. Shenker, relating to the fees, payments and services, which were presented in detail to the Committee. These records included copies of checks and their endorsements for all payments from four of the clients to Mr. Shenker, as well as all payments from Mr. Shenker to Senator Long. In the case of the fifth client, not all of the payment checks could be found, but other financial records substantiating the payments were obtained. All of the checks bore regular bank endorsements showing dates of the payment by the bank, and also showed the amounts and the names of the payers and payees. This information corresponded with that of the payments stated to have been made by the clients and by Mr. Shenker.

Mr. Shenker testified before the Committee that the payments made by him to Senator Long represented Senator Long's share of legal fees earned from the five clients. The five clients or their representatives testified that the payments made by them to Mr.



Shenker were for legal services rendered to them over a number of years. They testified that they knew that Senator Long was associated with Mr. Shenker in rendering legal and business counsel relating to the clients' interests.

According to the testimony of the clients, or their representatives, and Mr. Shenker, the payments from the clients to Mr. Shenker as well as the payments from Mr. Shenker to Senator Long had no relationship whatsoever to Mr. Hoffa or to the Teamsters union.

Ordinarily we would not consider it wise or necessary to disclose the names of clients in a case like this; but under the circumstances of this case we believe it is necessary in order to give completeness and clarity to the meaning of the other facts developed and in view of the seriousness of the charges made against Senator Long. Therefore, we name the five clients in question as follows: The R. L. Warren Company, a stock brokerage and underwriting firm in St. Louis; Banner Industries Inc., a retail merchandising chain based in St. Louis; the Associated Life Insurance Company, a life and personal casualty insurance company, whose home office is in Chicago and which does business in various states including Missouri; Mrs. Thelma Manne, a St. Louis woman who died in 1962; and Mr. Max Lubin, a St. Louis businessman.

From the evidence and information the Committee has been able to develop, the Committee has found no facts which show that either the payments to Mr. Shenker from the five clients, or the payments by Mr. Shenker to Senator Long, had any connection with Senator Long's duties or activities as Chairman of the Subcommittee on Administrative Practice and Procedure, the Subcommittee hearings, or Senator Long's duties or activities as a Member of the Senate.

Under this state of facts the Committee finds no basis for public hearings.

As is true in all matters coming before it, the Committee will hold itself in readiness to consider any additional evidence which may become available relating to this matter.

Approved, this 25th day of October 1967.

JOHN C. STENNIS,

*Chairman,*

WALLACE F. BENNETT,

*Vice Chairman,*

A. S. MIKE MONRONEY,

EUGENE J. MCCARTHY,

JOHN SHERMAN COOPER,

JAMES B. PEARSON,

*U.S. Senators.*

Mr. LONG of Missouri. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Will the Senator from Mississippi yield to the Senator from Missouri?

Mr. STENNIS. Mr. President, I yield to the Senator from Missouri.

Mr. LONG of Missouri. Mr. President, it is needless for me to state that the report just given lifts a great burden off my shoulders. I am delighted with the report.

I express my deep appreciation to the chairman of the committee and to the other five members of the committee and to the members of the staff who have made this investigation.

This was a matter in which my honor and integrity were at stake for the first time in my entire career.

I am grateful to the committee and to the staff for going into this matter in so much detail. It was to my best interest that the matter be gone into in such minute detail as the chairman has outlined.

I express my gratitude and appreciation to the committee and to the staff for doing so.

I know that the investigation created a lot of work and a great problem for the members of the committee. I am sorry that I interfered with the work of the committee.

I am grateful that it is all over, and I appreciate the consideration and the effort that were put forth in bringing out all the facets and all the evidence in this matter.

Thank you so much.

Mr. STENNIS. Senator, I accept your expressions for the committee and for the entire Senate. You cooperated with us, also; you do not owe us anything, because we did not give you anything, except the honest conclusion to which the facts led us. I know you understand that, as does everyone else. But we do appreciate the spirit of the expression of gratitude as you have stated it.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized. How much time does the Senator yield himself?

Mr. DIRKSEN. I yield myself 10 minutes.

Mr. President, it has been said that the weakness of a democratic society is its refusal to face up to a crisis. I think, as I review as much history as I can encompass, that that is probably true. And that is probably true of our own society.

No one can serve in Congress a long period of time without concluding that when we are squarely up against a real crisis and a real challenge, we try to find ways to circumvent it instead of meeting it foursquare.

Now, let nobody argue that we are not confronted with a fiscal crisis, because we are. There is every indication that there is such a crisis and that it has to be met. First of all, we face this huge, looming deficit.

When the majority leader and I one evening spent 2 hours with the President, we went over that budget carefully and finally came up with a figure of \$28.3 billion as a deficit. Well, that is a monumental deficit, if I ever saw one. And what it means, in homespun terms, is that after we have spent all the tax money which we take from individuals and corporations and from every other source, we shall still be short by \$28.3 billion of paying our bills. It is that simple, and there is no prolixity or complexity about it.

I said to the President on that occasion:

You might just as well throw that figure out of the window and make it \$30 billion, because there are those unforeseen expenditures that are coming along, just as surely as day follows night, and they will have to be taken into account. I can't foresee everything that is down the road, but there is a crisis before the country, and a fiscal crisis is one of the most dangerous that I can think about.

You always have to consider the impact of this kind of deficit, first, on the interest rates, because this Government must borrow in the same market to which private enterprise, corporate entities, must go; and when there is keen competition for money, the interest rate is bound to go up.

If there is anything to the classical definition about inflation, that it means that there is more money than there are goods, and therefore goods will command higher prices, then of course we are going to have a dash of inflation.

This crisis also is affected by the fact that there has been an impasse on the so-called tax bill. The President has requested a surcharge tax of 10 percent, to yield, as I recall, roughly \$6½ billion. That tax bill presently reposes in a pigeonhole in the Ways and Means Committee of the House, which is the revenue committee. We can do nothing about it, because all revenue measures must originate in the House of Representatives. We can amend, of course, if a bill comes this way; but essentially it must originate there. That is part, of course, of the dilemma which confronts us at the present time.

In addition, it is further complicated by the additional appropriations which have been voted, certainly by the Senate, if not by the House, and by the pay bills and other measures that have come along.

What intrigues me about it, when I say that a free country, a democracy, does not face up to a challenge, is the rather quaint language that appeared in the original resolution submitted by Representative WHITTEN, of Mississippi, with respect to this interim resolution; because among other things was a rather interesting protective clause that nothing be done to permit the suspension of new starts in appropriations. That is by way of confessing, on the part of Congress, that you can get sacrifices where you will, but so far as we are concerned, we want no profane governmental hands to be laid upon public works projects, because those are peculiarly our own. If anything is needed to demonstrate that we refuse to face up to a crisis, that is it.

Then, in addition, were the exemptions there for the Post Office Department, for the Customs Service, and for the Internal Revenue Service, as if there might not be an opportunity to save money in those Federal activities as well.

Mr. President, it is not a happy thing to say; but, frankly, Congress is not doing its duty. The Constitution gives it the power of the purse. I am not unmindful of the Budget and Accounting Act of 1921, when we set up the General Accounting Office. We provided for a budget and a lot of other things. But that in no way relieves Congress of its responsi-



bility when it comes to being keeper of the purse. That reluctance on new starts is an excellent example of how we have circumvented our duty. But the power of the purse is still here.

It is apparent that the President has made no recommendations, nor has anything been done under the General Accounting Act of 1921.

So the dilemma is here. I have spoken with some of the House leaders today. I know how adamant they are about this whole matter and what difficulty is going to be encountered in conference. It is not going to be easy. They are not going to be satisfied with a third or a fourth of a loaf. The Senate had better make up its mind to do something and if it does not, there is going to be a stalemate in that conference, or I will be badly mistaken.

This amendment, of course, is essentially only a sense of the Senate and House resolution. I can include the House and it still will not be subject to a point of order, in my judgment. But it calls attention to the fact that there have been changes since the original 1968 budget has been submitted and that there have been remarkable changes in the conditions that require action in the interest of our economic well-being and our solvency; and it calls attention to the fact that the President has not actually, nor has he proposed, any action with respect to a substantial reduction of estimated expenditures.

So it becomes the sense of the Congress that with respect to appropriated funds for the fiscal year 1968 and for funds previously appropriated that might be spent, there be a net reduction in an amount of \$5 billion on those expenditures.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. Mr. President, I wonder if the Senator could tell us what action Congress would have to take in order to meet the requirements of this amendment.

Mr. DIRKSEN. Mr. President, Congress would have to take the same action that it took in 1946, for in that year we had a rescission bill, and that bill by line and page spelled out exactly where all reductions were to be made; and we did it and we did it in a good, workmanlike, and business fashion.

I think I can point that out very concretely. Here is a copy setting that forth. This is Public Law 301 in the 79th Congress. That was in 1946. Title I reads:

Executive Office of the President, Independent Offices, and Executive Departments.

We started right in with the Office of Emergency Management, the Independent Offices, the executive departments, one by one.

Here is the 17-page report.

Mr. ELLENDER. That would mean all of the appropriations heretofore enacted by Congress would have to be gone over by the Committee on Appropriations. According to the resolution and the evidence that was given to us by Mr. Schultz, appearing on page 54 of the Senate hearings on House Joint Resolution 888, the areas where appropriations are control-

lable amounted to \$38 billion. In order to accomplish a savings of \$5 billion in expenditures he reported that a fiscal 1968 appropriations reduction of \$10 billion would be required.

Is the Senator familiar with that testimony?

Mr. DIRKSEN. It might well be.

Mr. ELLENDER. Here is the testimony and I shall quote it:

Now, the total that I have listed and a few other smaller ones I haven't mentioned come in appropriations to \$38 billion, in round numbers. To get \$5 billion in expenditures out, which the Bow amendment talks about, would take about \$10 billion out of that \$38 billion.

The total that the Budget Director referred to appears in the hearing record immediately above the testimony which I quoted. The amounts of controllable appropriations and the areas where they may be found are listed. Mr. President, I ask unanimous consent that the list be inserted in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

*Areas where appropriations are controllable (not locked in)*

	Thousands
Agriculture .....	\$3, 900
Commerce .....	970
Corps of Engineers .....	1, 300
Health, Education, and Welfare.....	7, 500
Interior .....	1, 600
Housing and Urban Development.....	1, 100
Justice .....	437
Labor .....	530
Post Office .....	585
Transportation .....	1, 500
Treasury .....	920
Agency for International Develop- ment .....	2, 600
State .....	300
Atomic Energy Commission .....	2, 600
General Services Administration.....	560
National Aviation and Space Agency..	4, 500
National Science Foundation.....	526
Veterans .....	1, 600
Office of Economic Opportunity.....	2, 060
Military and civilian pay raises.....	1, 000
Other .....	2, 000
Total .....	38, 088

Mr. DIRKSEN. All I have to say is that it is a question of whether the Congress of the United States has enough sacrificial spirit and enough diligence and is willing to tackle this job regardless of what any budget officer in this Government may say. To implement that fact I go back to what we did in 1946.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for an additional 5 minutes.

Mr. DIRKSEN. I can show cuts in 1946 that were holdovers from the war period, as low as \$40 for the Naval Observatory; another is \$572; for the Hydrographic Office, \$94,942; the Office of Naval Intelligence, salaries, \$2,932.

There was not an item that they did not go through, and with adequate staff. Mr. President, I am speaking now not off of the top of my head but from 17 years on Appropriations Committees of the House of Representatives and the Senate.

If we have the will to do the job we can do it. They can amend this resolution any way they see fit, but I have an idea that if we go to the other body, which is pretty adamant about this business, with a simple continuing resolution it is going to be a while before you will ever get an agreement in a conference committee.

Why should we not indicate our desire to get something done because the country is fully conscious and sensibly alerted to the whole question of economy? I do not want to be talking out of one side of my mouth and then going along like a good Senator with the Committee on Appropriations when they come in with a unanimous vote on an appropriations bill, when I may have violent objection to some item?

I want to declare an intent now, and when I am confronted with a charge that I was doing a lot of double talk on economy, this is the only way I have of saying to the country: Well, at least I submitted this proposal to the Senate and they did not take it. From then on I absolve myself of culpability and blame.

Mr. ELLENDER. I presume my good friend from Illinois realizes that since the amount on which cuts are going to be made aggregates only \$38 billion, that would mean a cut of almost a third. In this huge amount is the space program of \$4.5 billion; agriculture, \$3.9 billion; Corps of Engineers, \$1.3 billion, and many other programs.

I am wondering where we will be able to obtain the \$10 billion which must be cut from current appropriations out of \$38 billion in order to accomplish what the Senator seeks to do. I doubt that anyone would advocate reducing each of the items on the list I have just inserted in the RECORD by one-third. That is what would be necessary, presumably.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield myself 10 minutes under the bill.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. DIRKSEN. Would the Senator like to amend this to make it \$4 billion?

Mr. ELLENDER. No. I think I would rather leave it to the Committee on Appropriations as we have done in the past.

Mr. DIRKSEN. Well, you are.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. McCLELLAN. Am I correct that in a rescission bill, like the original appropriation act, it must originate in the House of Representatives?

Mr. DIRKSEN. I do not believe so.

Mr. McCLELLAN. I wonder about that. This resolution simply expresses the sense of the Senate that unless the President finds some way to reduce this amount we propose to do it.

Mr. DIRKSEN. Precisely.

Mr. McCLELLAN. We propose to do it by a rescission act. This gives the President one more chance and if he does not do it we propose to do so by this resolution. We would bind ourselves to do it, and to stay here during this session of Congress until we bring out a rescission bill and undertake to work out cuts in it and that we find we can make, should



make, or are willing to make, in order to bring in the appropriations and expenditures; is that correct?

Mr. DIRKSEN. Correct.

Mr. McCLELLAN. Congress will still have the opportunity to meet its responsibilities, if the President does not. I do not know whether he will or not. I do not know how difficult it will be to take that much out of here, but at least a rescission bill can be brought in and Congress can work its will on making cuts in appropriations already made which, in my judgment, is the right way to do it. I voted against these other proposals because I do not want to tell the President, "Go and cut wherever you will. Take whatever you want to and apply it somewhere else." I think we should take that responsibility. I hope that there will be a rescission bill to which I can offer amendments to cut those things which I think should be cut. The Senator from Illinois can do the same thing, and other Members of Congress can do the same thing.

Finally, when we can work out certain substantial reductions in appropriations, I think that is what we should do. I think that is what we must follow. If I understand the resolution correctly, it expresses the sense of the Senate that that is what we should do.

I thank the Senator from Illinois for yielding to me.

Mr. DIRKSEN. Make the record abundantly clear that this is a matter before us of a House joint resolution—No. 888. It comes from the House Appropriations Committee. This is a sense of the Senate resolution. It is quite in order on a resolution of this kind. I do not bind them. I would just like to get a declaration of intent on the part of the Senate when they go to conference on this measure, because it is going to run up against the Rock of Gibraltar in the House of Representatives before they get through.

The Senator from Arkansas is so perfectly right in this matter, if we can agree to a rescission bill and see where they can cut. But that is a matter for both Appropriations Committees and for a further recommendation to vote.

Mr. McCLELLAN. I was laboring under the impression that possibly a rescission bill would have to originate over in the House.

Mr. DIRKSEN. That is correct.

Mr. McCLELLAN. They may so contend.

Mr. DIRKSEN. Yes.

Mr. McCLELLAN. I thought the Senator said a while ago that he did not think so, but assuming it does, it will be their responsibility on what to cut in appropriation bills already passed, and to initiate a rescission bill. If they do not do it, and if we can do it, the Senate should do it here, I think.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG of North Dakota. As a matter of clarification, if Congress winds up cutting appropriations under the budget estimate by \$5 billion, would this apply?

Mr. DIRKSEN. I think so.

Mr. YOUNG of North Dakota. Another \$5 billion on top?

Mr. JAVITS. No, it would not. All appropriations.

Mr. DIRKSEN. I am thinking of the total cut of \$5 billion.

Mr. ELLENDER. That is in expenditures.

Mr. DIRKSEN. In expenditures, right.

Mr. ELLENDER. That means, then, a \$10 billion cut in appropriations.

Mr. DIRKSEN. Both expenditures made under the 1968 appropriations and expenditures made under prior appropriations. There is a wealth of unobligated money floating around this Government by the billions of dollars which we have never touched, and somehow we do not try to touch it.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. JAVITS. Could we fill out the factual situation? Perhaps it would help everyone. That is the reason I am speaking, because I have it clearly in mind, and I think that I am right. We have already reduced appropriations below the budget by roughly \$2 billion-plus—

Mr. ALLOTT. Three billion-plus.

Mr. JAVITS. Three billion-plus. The resolution to the pending bill may reduce it another \$2 billion. That would mean \$5 billion from the appropriations. I realize that is not yet what the Senator has in mind.

As to expenditures, the budget called for expenditures of approximately \$135 billion in which, roughly speaking, some 70 percent or better are out of current appropriations, and 30 percent, roughly, in round figures, out of previous appropriations. The proportions may be somewhat different.

As I understand what the Senator has in mind on this resolution, if the aggregate cut in appropriations below the budget, those already imposed and those to be imposed, it would aggregate \$5 billion. The Senator, notwithstanding the reduction in his resolution, would consider that that met congressional intent?

Mr. DIRKSEN. Yes, and the language here bears on that point.

Mr. JAVITS. If the aggregate reduction in expenditures from the proceeds of the appropriation bills and the proceeds of appropriations already made exceeds \$5 billion, then certainly this would have been satisfied? So that to speak of it as \$10 billion is inaccurate, for this reason: Surely, if we are cutting \$5 billion out of expenditures based solely on what we are appropriating in 1968 and the appropriation bills, we have to have the cut of \$10 billion, but if we are not doing that, because we are addressing ourselves to the present appropriation bills already passed—

Mr. DIRKSEN. Exactly.

Mr. JAVITS. In the early part of this fiscal year and those appropriations which carry over in terms of expenditures, on that basis I understand the Senator from Illinois clearly and I think the Senate does as well.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I notice that even the Bow amendment to the resolution in the other body exempts defense expenditures necessary in connection with Vietnam. Does the Senator think that that exemption at least should appear in his proposed amendment?

Mr. DIRKSEN. I am not sure that any exemption should appear. I give the Senator some reasons why.

As the resolution was introduced, or at least got to the floor, by Representative WHITTEN of Mississippi, it contained exemptions for the military insofar as it related to Vietnam, social security, retirement pensions, veterans, and other items.

Almost always, in every discussion I have ever heard about rescissions, I know that a special point was made of those items. I do not quarrel with that. I do not believe it is necessary to tell Congress about it because both Houses of Congress are compassionate about our veterans and the Veterans' Administration. Both Houses of Congress are as much interested in it.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. I doubt whether we have to pinpoint all those items. It would simply complicate the resolution. They went further and gave the President power to exempt the customs service and the Internal Revenue Service if the reduction had an impact on efficient collection of revenue. They went further than that and included a number of things. Then, for good measure, they added other proposals and exemptions and new starts, so that they could not be touched.

Now, I like to take the bitter with the sweet. If we are going to do something, let us not hump it all in under one department of Government. Let us exercise our responsibility under the Constitution, because the purse is still on Capitol Hill, whether we like it or not, and we cannot disdain, we cannot absolve ourselves from that responsibility, no matter which way or how thick we cut it.

Thus, that is one reason why I did not complicate this resolution with a lot of exemptions. Let the committees do it. I am not going to pinpoint and say, "Keep your hands off this" or "Do not touch that." There are a few sacred cows in Government, I found out long ago. But, there are not very many. I think everyone knows where they are.

Mr. HOLLAND. The Senator will recall, I suspect, that I have had a printed amendment at the desk which I had expected to propose, but it is not appropriate now because it was drawn up against the background of our having passed only six appropriation bills at that time and having achieved a saving of only \$2 billion at that time, whereas that picture has decidedly changed now and I have not had a chance to redraft the amendment. But I call attention to the fact that on lines 8 and 9 of that



amendment I stated as the sense of Congress—I did not use the same words—that Congress believes that a total saving of \$3 billion can be accomplished in the spending budget for fiscal year 1968, without severe disruption of the vital functions of Government.

I drafted that amendment in anticipation of what I thought would be—and I recited it in the amendment—a total saving in appropriations of approximately \$5 billion.

My own feeling now is that, as well intentioned as the amendment is, a \$5 billion cut in expenditures when applied to a situation with appropriations which have been considerably reduced from what they were—we have not reduced appropriations of earlier years, but we have reduced very largely proposed appropriations for this year—will be too deep a bite and too great a cut to be readily placed anywhere in the controllable items.

I was wondering if the distinguished Senator would give thought to a change to \$4 billion or even \$3 billion in view of the fact that we have already shown that budgeted appropriations are going to be reduced in excess of \$5 billion.

The Senator, of course, drafted his amendment, likewise, on the basis of what was available at the time it was drafted. We have been passing bills rapidly and have been bringing them out of conference—two bills which have not been acted on, as well as two yesterday—all of which had substantial reductions.

I was wondering if the Senator would give consideration to a proposed reduction of the \$5 billion, which would be for the purpose of the spending budget, which is quite a different thing from the appropriations budget, to either \$3 billion or \$4 billion. I merely make that suggestion.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. YOUNG of North Dakota. I understand the President is going to send over another supplemental bill totaling about \$4 billion for the war in Vietnam. Would that mean we would have to effect a \$9 billion reduction in expenditures?

Mr. DIRKSEN. If it is going to be in the 1968 budget and it becomes an expenditure, then we are going to have to find the \$5 billion somewhere. I must emphasize that a cut in appropriations is one thing, because we can appropriate \$500 million for a project, and then have an expenditure of only \$10 or \$20 million in the first fiscal year. But as we go along, that is when it begins to increase. It is necessary in this fiscal year and the next fiscal year, not 10 years from now, to meet this fiscal crisis. It is here.

I point out that Great Britain is in a dilemma and the Prime Minister is fighting like made to prevent the devaluation of the pound. We are informed that West Germany has agreed to buy \$125 million of our bonds. Then we go into the open market to compete with business and industry, and watch the interest rates go up. I do not want that on my conscience.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I just call attention to the fact that payments are being made this year on ships or airplanes or Government buildings of any kind, or VA hospitals, or many other products which are not built in a year, and for which the appropriations made 2 and 3 and 4 years ago are in part applicable. All of that has to be considered. I was especially thinking about the defense matter, because we do have ships building and we do have planes in the pipe line. It seems to me the exception of at least the Vietnam defense spending might be helpful, but I simply suggest that to the distinguished Senator.

Mr. DIRKSEN. It is not an easy thing, on a pleasant afternoon, when the Senate is in a good mood, to reduce the ante by \$1 billion.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. AIKEN. I want to ask the minority leader if, in requesting a \$5 billion reduction below the budget request, he takes into consideration the probable reduction in the foreign aid program, which has not yet been authorized. I believe there will be a \$800 million cut in the authorization, and there will probably be some further reduction in the appropriation. Will the \$5 billion reduction be in addition to that reduction or will the additional billion come out of the \$5 billion reduction which the Senator's amendment would provide. Would the reductions enacted up to now come out of the \$5 billion proposed or will it be in addition?

Mr. DIRKSEN. Anything which is expended pursuant to appropriations in this fiscal year comes within this.

Mr. AIKEN. That would be within the \$5 billion.

Mr. DIRKSEN. That is right.

I make the emphatic point that everything that has been said in behalf of the tax bill which is languishing in the House Ways and Means Committee finally winds up with: "Sop up this extra spending money by a surcharge on present taxes, both individual and corporate. In so doing you take this spending money out of the economic bloodstream and you ease the inflationary pressures."

It can be done two ways. It can be done by taking it away from everybody after they have it. It can be prevented from falling into their hands during this fiscal year by chopping it off before it ever gets to the corporate treasury or to the hands of the individual. Take your choice.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. PERCY. I would like to indicate my support for the amendment of the distinguished Senator from Illinois for a number of reasons.

First, this Saturday morning, I was at a business council meeting, at which 200 of the most distinguished businessmen in this country, representing virtually every State, were in attendance. I have never, in the 12 years I have been attending these meetings, seen the business community so concerned about

whether or not Congress will face up to its responsibility. Many of them have, individually or collectively, called upon the Congress to cut expenses and called upon the President to cut expenses. They have said they are so concerned about inflation in this country that many of them indicated their support for a tax increase. They all feel that the problem must be attacked first at the spending level.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield myself 5 additional minutes.

Mr. PERCY. Second, I support the amendment because the Secretary of the Treasury has recently said that if we do not have a tax increase the economy will be in a shambles. The same effect can be had by reducing expenditures first, since the cuts now under consideration would yield \$5 billion or \$6 billion.

The third reason is that when the President put in his budget early this year, we had a forecast of an \$8.5 billion deficit. Many of the appropriations were based on that figure. We now have a forecast of a \$28 billion to \$30 billion deficit. We have to reflect that in the votes we make on the floor, but the executive branch which formulated the appropriations should lend its expertise to the task as well.

Fourth, the cruelest tax of all is inflation. It is ridiculous to be voting for bills to help people in the lower income levels one day and the next day be voting for appropriations which impose the cruellest tax of all; namely, inflation. Everyone who is living on a fixed income and social security will suffer in an insidious decline in their standard of living.

Lastly, I addressed a group of businessmen who were visiting this country with the cooperation of private organizations for the purpose of encouraging them to invest in American industry. Those are the same people to whom, year after year, the Government has been saying and lecturing, "You must put your fiscal house in order. Cut down expenses and stop inflation." That is the very question they are putting to us today—what we have been telling them for 20 years.

I support the amendment because I believe it is a meaningful device where-with to bring about spending reductions. In my maiden speech in the Senate, which was listened to by at least two or three of the pages in a late morning hour, I chose this subject; I thought then and I feel more strongly now: it is as important as anything we can do to cut the budget by \$5 or \$6 billion. After such cuts, if it were still necessary, I would support a tax increase to stop the spread of inflation.

This amendment is logical and needed, and I enthusiastically support it.

Mr. DIRKSEN. Let me say to my respected junior colleague that if any Member of this body can speak with authority, he can. He was at one time the head of one of the largest enterprises in this country, the Bell & Howell Co. in Chicago. It is a worldwide enterprise and



a worldwide business, and it is big business.

He has been in and out of these problems over quite a period of time. So I welcome his testimony on this matter, because I do believe he speaks with rare authority.

I yield the floor.

Mr. ALLOTT. Mr. President, yesterday afternoon, at the time of the unanimous-consent agreement, assurance was given by the distinguished majority leader that time would be yielded on the bill; and I wish to be recognized.

Mr. DIRKSEN. There will not be much time available. How much time does the Senator wish?

Mr. ALLOTT. Ten minutes.

Mr. DIRKSEN. I had better check and find out. Before or after the vote on the amendment?

Mr. ALLOTT. Before the vote.

Mr. DIRKSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Illinois has 25 minutes remaining on the bill.

Who yields time?

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes.

I have only one other observation to make. It was late last year that a celebrated French financier came here and was interviewed at considerable length and on a number of occasions.

Making it desperately emphatic, he said, "You are in jeopardy; you are headed for danger, and you will not face up to it."

What do Senators think is going to happen to the credit of this country in the treasuries abroad, with President de Gaulle raiding our gold supply—it gets thinner and thinner—and with stories in the air, now, that the cover will be taken off the Federal Reserve notes? What then? With the cover off of the demand deposits and Federal Reserve notes, what is left except a managed paper currency, and nothing more?

We are headed for trouble, and this kind of expenditure increases the danger. I do not believe we properly respond to our duty in this body by trying always to jockey for political position, to see whether we cut or whether the cut is coming from the other end.

The President is the executive branch, and, therefore, an independent coordinate branch of Government.

I want to see Congress do its duty under the Constitution. I am chargeable, as one Member of this legislative branch, and I wish to be able to go home and stand on a platform in front of everybody and say, "Here is what I tried to do, and I could not get support enough to do it, so I absolve myself from responsibility, and you put the blame where it belongs when these interest rates start going up,

when inflation gets its fingers into the price of every commodity in every grocery store."

It will happen, just as surely as day follows night.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. DIRKSEN. I yield myself 1 additional minute.

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. DIRKSEN. I yield.

Mr. PELL. Would I be correct in assuming that if passed, this cut could be made from the defense budget as well as any other item?

Mr. DIRKSEN. Well, it could, yes.

Mr. PELL. I thank the Senator.

Mr. DIRKSEN. But can you imagine a Member of Congress so little interested in the security of this country as to cut the defense budget?

I say to my friend, I was around here for another war, and was on an Appropriations Committee when we were appropriating for war, and I was here when we had the rescission bill of 1946. I have a copy of that bill in the form it became law. I know what the general attitude of Congress is in these matters.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DIRKSEN. I yield myself 1 additional minute.

We did not have to pinpoint it and say, "Do it here or do it there."

Mr. PELL. If this passed, I would hope some of it would come out of the Defense Department. I was wondering whether it could come out of it.

Mr. DIRKSEN. Well, they are free to vote for it, if that is the way they want to do it. But I leave it to the committees on this and the other side of the Capitol, and am willing to let them come in with their recommendations. This is no place to try to do it item by item or line by line, as anyone knows whoever had much experience on an Appropriations Committee.

Mr. President, I close by saying to the Senate, "You had better not go back to the other end of the Capitol empty-handed, because if you do, you are going to have trouble in the conference committee, believe me."

I yield the floor, and I yield 10 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 10 minutes on the bill.

Mr. ALLOTT. Mr. President, first I wish to say that I intend to support the amendment of the distinguished minority leader; but I think it is very important that the record be clear, because few people understand it, as to why the control of appropriations alone will not reduce expenditures accordingly.

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLOTT. To the average individual, it appears obvious that if you cut the appropriations \$5 billion, you have therefore cut expenditures by \$5 billion.

I refer anyone who is interested to page 49 of "The Budget in Brief," on which there appears a flow chart which illustrates more graphically than anything else I have seen why a cut in appropriations does not equal a cut in expenditures. In other words, to cut \$1 billion from expenditures, you have to cut at least \$2 billion, or perhaps \$3 billion or even more at this time of the year, out of appropriations.

Referring to this chart, we see, for example, that the new authority recommended to Congress this year was \$144 billion. Of that new authority only \$95.7 billion was to be used in 1968. But unspent from previous years is \$125.6 billion, of which \$39.3 billion flows into 1968, making the total expenditures for 1968 \$135 billion.

Those same past authorizations, unspent, flowing forward in later years, together with what flows forward from the authorization this year, result in unspent authorizations for expenditures in following years of \$132.8 billion.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. YOUNG of North Dakota. Using those calculations—and I think the Senator is correct—would it not follow, then, that this resolution, to cut expenditures by \$5 billion, might require a cut in appropriations of about \$10 billion?

Mr. ALLOTT. The Senator is correct, and I intend to discuss that in a few moments.

Mr. President, various figures have been used on the floor here today to indicate the economies being effected. I have in my hands a table which is up to date as of noon today. This includes the action of the conference committee on NASA and the conference committee on Independent Offices, which we have every reasonable expectation, at the moment, to think that the House of Representatives will accept, although we might be surprised. In addition to those items, it includes all bills which have been enacted into law, and shows that thus far, the conference committees have agreed upon total appropriations of \$100,118,000,000, which figure is \$3,209,000,000 under the President's budget. That is as of noon today. I ask unanimous consent that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Dollars in millions]

Bill	Adjusted budget estimate	House passed	Senate reported	Senate passed	Budget (plus or minus)	Conference	Budget (plus or minus)	Public Law
Agriculture.....	\$5,021.09	\$4,770.58	\$6,782.53	\$6,782.53	+\$1,761.43	\$4,952.95	—\$68.14	90-113
Defense.....	71,548.00	70,295.20	70,156.42	70,132.32	—1,427.58	69,936.63	—1,647.38	90-96
District of Columbia.....	526.06	463.34						
Foreign aid.....	3,818.74							
Independent offices.....	10,802.51	10,013.18	10,431.46	10,514.83	—305.68	10,139.47	—681.13	



[Dollars in millions]

	Adjusted budget estimate	House passed	Senate reported	Senate passed	Budget (plus or minus)	Conference	Budget (plus or minus)	Public Law
Interior.....	\$1,458.22	\$1,365.31	\$1,399.24	\$1,399.36	—\$58.86	\$1,382.85	—\$75.37	\$90-28
Labor-HEW.....	13,424.15	13,137.48	13,409.84	13,421.66	—2.49			
Legislative.....	275.70	228.09	274.41	275.89		275.70		90-57
Military construction.....	2,937.00							
NASA.....	5,100.00	4,583.40	4,678.90	4,678.90	—421.10	4,578.90	—521.20	
Public works.....	4,867.81	4,622.92	4,776.06	4,776.06	—91.75			
State, Justice, and Commerce.....	2,342.94	2,194.03	2,185.87	2,186.11	—156.83			
Transportation.....	1,718.62	1,530.20	1,651.41	1,651.41	—67.21	1,581.91	—136.71	90-112
Treasury-Post Office.....	7,615.15	7,499.23	7,555.17	7,555.17	—59.98	7,545.64	—69.51	90-47
Total.....	131,473.99	120,474.87	123,036.90	123,098.35		100,118.35	—3,209.36	
Plus interest on debt.....	14,200.00							
Total.....	145,673.99							

Mr. ALLOTT. Mr. President, the real substance of the issue is that Congress has been irresponsible over the past 2 or 3 years in its spending authorizations, and has appropriated excessive amounts. It is a cold fact that there exists today a new breed of economists, who believe that we cannot spend too much on this Government, and can spend ourselves into prosperity. We have finally come down to the hard nub. We nearly came against the crash gates a year ago in September.

We have again come around that circle in another year, and are down to the hard nub. We have to do something about it.

I hold in my hand a UPI dispatch under today's date from the Department of Labor, I believe. It states as follows:

An average city family of four needs an income of at least \$9,191 to maintain a modest standard of living, according to the government.

I ask unanimous consent that the entire UPI dispatch to which I have referred be printed at this point in the RECORD.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

#### COST OF LIVING

WASHINGTON.—An average city family of four needs an income of at least \$9,191 to maintain a modest standard of living, according to the Government.

This is more than double the amount the Government estimated was needed in 1951 and is \$3,091 a year more than was needed in 1959.

The most expensive city in the 48 adjacent States is New York, where the average family would need \$10,293 per year.

The least expensive of the cities surveyed was Austin, Tex., where a family of four could get by on \$8,088.

Honolulu was even more expensive than New York. A family there would need an income of \$11,489 to maintain a modest standard of living. And Alaska is even more expensive than that, though not included in the survey.

The figures released by the Bureau of Labor Statistics yesterday represented living costs last fall. They are presumably even higher now.

Mr. ALLOTT. Mr. President, it is ridiculous to find that income requirements have more than doubled since 1951 to maintain a modest standard of living, but it does show what the policies of this Government have been. And we cannot exonerate ourselves, nor can we excuse ourselves from our part in this procedure.

The distinguished chairman of the Appropriations Committee said yesterday in the Senate:

Mr. President, if it is necessary to reduce expenditures at this time, before the Congress adjourns, I recommend that the Committees on Appropriations of the two Houses undertake an examination of the bills which have been signed into law and the bills which will be sent to the White House soon, and if the amounts are found to be excessive, that a rescission bill be considered in the two Houses.

I agree wholeheartedly with that proposal except that I do not think that action will be taken.

I commend to the attention of my colleagues a bill that has been offered by me in the past and also this year. It is S. 1611, and it does for the Congress exactly what was proposed in the remarks of the distinguished chairman of the Appropriations Committee.

My bill would provide that before any one appropriation bill became law, all appropriations bills would have to be enacted and they would all have to be reviewed and Congress would have to adopt a resolution approving the total amount appropriated. Congress would then have put its final stamp of approval on the total appropriations, not just one of 15 parts.

So far, I have not been able to obtain any hearings on the bill. However, I commend the bill to the attention of my colleagues, because if we are going to gain control of the fiscal picture of this country, we must adopt some such approach as this.

Mr. President, I ask unanimous consent that my bill, S. 1611, be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

#### S. 1611

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That unless otherwise expressly provided therein, no expenditure authorization contained in a general appropriation Act for any fiscal year shall become effective until there shall have been enacted—*

(1) all other general appropriation Acts for such fiscal year; and

(2) a joint resolution containing a statement of the aggregate amount of expenditure authorizations for such fiscal year contained in all such general appropriation Acts, including any amendments thereto, and a statement to the effect that the Congress approves the expenditure of such aggregate amount.

#### SEC. 2. As used in this Act—

(1) The term "expenditure authorization" means an appropriation, contract authorization, authorization to spend from public or corporate debt receipts, limitation on expenditures authorized to be incurred against revolving funds or funds of government corporations, cancellation of obligations of Government agencies to the Treasury, reappropriation, reauthorization, or any other authorization to withdraw moneys from the Treasury of the United States, but does not include an appropriation of trust funds or a transaction involving public debt retirement.

(2) The term "general appropriation Act" does not include a deficiency or supplemental appropriation Act, or an Act or joint resolution providing temporary expenditure authorizations pending enactment of a regular appropriation Act.

SEC. 3. This Act shall be effective with respect to general appropriation Acts for fiscal year 1968 and subsequent fiscal years.

Mr. ALLOTT. Mr. President, the distinguished senior Senator from Illinois has apparently stepped off the floor for a moment. I think that his proposal would be better received in terms of reality if the figure in the proposal were reduced to \$4 billion rather than \$5 billion.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HOLLAND. Mr. President, I agree completely with the distinguished Senator. I think that a \$4 billion reduction in the spending budget is within reach and within reason. I would rather have it \$3 billion, but \$4 billion is within reach. I do not think that \$5 billion is reasonable. It would destroy a great many vital activities of the Government.

Mr. ALLOTT. I thank the Senator. Mr. President, the distinguished senior Senator from Illinois has just returned to the floor. I have said in his absence that I am going to support his amendment because I feel it is just indefensible for the Senate of the United States—knowing the situation in England, knowing almost for a certainty what effect the reaction that takes place there will have on this country, and knowing that inflation is increasing day by day—after the efforts of the House, even though we may disagree with the way in which the House took action—were to simply go back to the House this afternoon with a simple continuing resolution saying: "We have changed the date from November 23 to November 15, but this is the best we can do."

It is not the best we can do. We can do a lot better. And that is the reason that



I have voted for the Williams amendment and the Mundt amendment. That is the reason I will vote for the pending amendment.

I would vote for the amendment of the Senator from Florida, which he may or may not offer later; but we cannot say to the people of this country: "The Senate is so derelict in its responsibilities that, after the efforts on the part of the House to limit expenditures, the best we can do in the Senate is to come back to the House with a little continuing resolution after having exercised great ability here by merely changing the date of the continuing resolution from November 23 to November 15."

Mr. President, I cannot go home to my people and say that this is all we could do. Mr. President, I wish to propound a question to the distinguished minority leader.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield 2 additional minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is allotted 2 minutes on the joint resolution.

Mr. ALLOTT. Mr. President, in view of the explanation which the Senator heard me make yesterday, and the substance of which I have stated again today, relative to the position on appropriations and expenditures, would the Senator be willing to modify his amendment to \$4 billion rather than \$5 billion, which would be a more realistic figure, at least in my opinion.

Mr. DIRKSEN. My friend, \$1 billion is a lot of money to talk about on the Senate floor on a lovely afternoon when I am in a pretty good mood. That is my trouble. I always feel like bargaining, as the Senator knows, but how much we will have left by way of actual reductions before we get through, I do not know.

I will modify the amendment with respect to expenditures in Vietnam and use the language that appears in the House amendment—"except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia."

They fully agree on that. And I am content to add that to my proposal.

Mr. ALLOTT. Mr. President, I have discussed this suggestion with quite a few Senators, and I think there are some who realize the relationship of appropriations and expenditures and who honestly believe that a \$10 billion cut is not within the realm of possibility, but that if a \$4 billion expenditure limit were placed in the amendment, rather than \$5 billion, some of them at least might be prone to support the amendment.

I offer that only by way of suggestion.

Mr. DIRKSEN. Will my friend bargain for \$4.5 billion?

Mr. ALLOTT. Such an amount will not get the votes that the other amount would receive, I tell my friend.

The Senator has my vote anyway, but I think that \$4 billion is a much more realistic figure.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DIRKSEN. Mr. President, I submit a modification of the amendment which is on the desk and ask that it be stated.

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk read as follows:

In line 7 of subsection (b) and after "President," insert the following: "except by those expenditures in excess of \$22 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia."

Mr. DIRKSEN. Mr. President, I so modify my amendment.

The PRESIDING OFFICER. The amendment is accordingly modified.

Mr. DIRKSEN. Mr. President, I think there is still a little time left on the bill.

Mr. MANSFIELD. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 3 minutes.

Mr. MANSFIELD. Mr. President, in looking over the proposal of the distinguished minority leader, there come to mind a number of questions which I think are worth considering. In the first place, this sense of the Congress resolution has to do not with appropriations, but with expenditures. And there is a great difference between expenditures and appropriations per se.

I believe the distinguished Senator from Florida has indicated that the Appropriations Committees have in mind a cut from the original request for this year of somewhere between \$4 billion and \$5 billion when all of the bills are taken care of.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. That has now gone well over \$5 billion.

Mr. MANSFIELD. With the other appropriation bills?

Mr. HOLLAND. With the ones already voted on and the cuts that are assured, meaning the highest figure taken by either House, and without very great new cuts on the supplemental request—I think there will be cuts in the OEO for this year—it would still be well over \$5 billion.

Mr. MANSFIELD. I think that speaks well for the responsibility which Congress has shown once again.

I think we ought also to keep in mind the fact that estimated revenue receipts are down, and estimated expenditures for the fiscal year 1968 are up.

In the case of Vietnam, it is my understanding that there will be sought, a further increase of \$4 billion, and it appears to me that under the proposal now before the Senate there are no exemptions for funds allocated to Vietnam.

Furthermore, it is my understanding that the original budget request was approximately \$135 billion. Since then, it has been increased by \$1.5 billion, so that now it amounts to \$136.5 billion.

I hope that this matter will be studied thoroughly. I do not believe it is in the best interests of the Senate, much less the Congress, to adopt the amendment. Moreover, I take exception to subsection

3 in section 2, wherein it is stated that the President has not taken or proposed action to effect a substantial reduction of such estimated expenditures. Just what can the President do if Congress—both Houses—holds back on appropriations? At the present time the President has six, I believe, out of 14 or 15 measures; and except for the defense appropriation, some of the largest funding measures are yet to be sent to him.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The time of the Senator has expired.

Mr. MANSFIELD. I yield myself 1 additional minute.

I realize, of course, that the matter is based on "estimated expenditures," and I would point out that when you relate expenditures to appropriations, the ratio is in favor of expenditures and against appropriations.

This is an amendment the Senate could well do without, and I hope very much that it will be defeated.

Mr. DIRKSEN. Mr. President, let me emphasize again that what this amendment deals with is expenditures, not appropriations. The language is very clear: "to reduce to an amount which is at least \$5 billion less than the expenditures proposed in the budget."

I am not concerned about the appropriations for the moment, because we can appropriate to our heart's content. The question is, Is the money going to be spent and pushed into the bloodstream of this country? That is the source of the inflation. That will be the source of our headaches from here on out with respect to prices and with respect to interest rates. So I emphasize again that it deals with expenditures; for to do otherwise would not get at the root of the evil.

Now, with respect to paragraph 3, I think that is only a statement of fact: "The President has not taken nor proposed action to effect a substantial reduction of such estimated expenditures." He has not. If he has, it should have come to this body in the form of a message from the President. It should have been an executive message of some kind. No such message has come, no such recommendation has come, either to this body or to the Appropriations Committee of the Senate or of the House, so far as I know. And if anyone can show that such a recommendation has come, I will be more than willing to strike paragraph 3 from the resolution. But I have not been able to find it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Mr. President, as the Senator well knows, the President has been pleading for the appropriation bills to be sent down, so that he could look into the factors of both appropriations and expenditures. He has almost gotten down on his knees; and so far, out of 14 or 15 appropriation measures, he has received six.

I would reiterate what the distinguished Senator from Florida has said: that the estimated reduction in appropriations for this fiscal year by the Appropriations Committees of both



Houses—and we should have some faith in them because, after all, they are our representatives and our delegates—will amount to approximately \$5,147,000,000.

Furthermore, I point to page 54 of the hearings on the continuing resolution, fiscal year 1968, where Mr. Schultze, the Director of the Budget, states in effect that it takes \$2 of appropriations to get a \$1 cut in expenditures. So what we are really toying with or considering in the pending amendment is a far higher figure than appears on the surface.

Mr. DIRKSEN. Mr. President, I think the majority leader still continues to talk about appropriations. I am talking about expenditures.

I want to see him cut out the money and not spend it. Not a figure on a piece of paper that finally goes down to the other end of the avenue. It is the expenditure that counts, so far as the impact on the country is concerned. And that is the reason for holding this to an expenditure item.

With that, I think I will rest the case and yield back the remainder of my time, if the remainder of the time on the other side is yielded back.

Mr. President, at this point I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from New York [Mr. JAVITS].

#### MEDAL OF HONOR PRESENTED TO MAJ. HOWARD V. LEE

Mr. JAVITS. Mr. President, I wish to call attention to the fact that an outstanding hero of the war in Vietnam, Maj. Howard V. Lee, was awarded the Medal of Honor today by the President of the United States for extraordinary gallantry.

Major Lee is the seventh Marine and the 21st awardee to win the Congressional Medal of Honor in the Vietnam war. He showed extraordinary leadership in rescuing a platoon he commanded, as commander of a total company, which would have been wiped out but for the valiant fire laid down by the major, who was then a captain, and only two additional soldiers. This indicates what an individual can do in a great struggle.

Mr. President, I know that his example will inspire all Americans, as it always has in our history; and I ask unanimous consent that the citation of this remarkably courageous New Yorker, who once was a resident of the district I represented in Congress when I was a Member of the House, be printed at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

MEDAL OF HONOR PRESENTATION BY LYNDON BAINES JOHNSON, PRESIDENT OF THE UNITED STATES OF AMERICA TO HOWARD V. LEE, MAJOR, U.S. MARINE CORPS, AT THE WHITE HOUSE, WASHINGTON, D.C., ON OCTOBER 25, 1967, AT 1300 HOURS

The President of the United States takes pleasure in presenting the Medal of Honor to Major Howard V. Lee, United States Marine Corps, for service set forth in the following Citation:

For conspicuous gallantry and intrepidity

at the risk of his life above and beyond the call of duty as Commanding Officer, Company E, Fourth Marines, Third Marine Division near Cam Lo, Republic of Vietnam, on 8 and 9 August 1966. A platoon of Major (then Captain) Lee's company, while on an operation deep in enemy territory, was attacked and surrounded by a large Vietnamese force. Realizing that the unit had suffered numerous casualties, depriving it of effective leadership, and fully aware that the platoon was even then under heavy attack by the enemy, Major Lee took seven men and proceeded by helicopter to reinforce the beleaguered platoon. Major Lee disembarked from the helicopter with two of his men and, braving withering enemy fire, led them into the perimeter, where he fearlessly moved from position to position directing and encouraging the overtaxed troops. The enemy then launched a massive attack with the full might of their forces. Although painfully wounded by fragments from an enemy grenade in several areas of his body, including his eye, Major Lee continued undauntedly throughout the night to direct the valiant defense, coordinate supporting fires, and apprise higher headquarters of the plight of the platoon. The next morning he collapsed from his wounds and was forced to relinquish his command. However, the small band of Marines had held their position and repeatedly fought off many vicious enemy attacks for a grueling six hours until their evacuation was effected the following morning. Major Lee's actions saved his men from capture, minimized the loss of lives, and dealt the enemy a severe defeat. His indomitable fighting spirit, superb leadership, and great personal valor in the face of tremendous odds, reflect great credit upon himself and are in keeping with the highest traditions of the Marine Corps and the United States Naval Service.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House further insisted on its disagreement to the amendments of the Senate numbered 58, 59, and 67 to the bill (H.R. 9960) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. EVINS of Tennessee, Mr. BOLAND, Mr. GIAIMO, Mr. SHIPLEY, Mr. MARSH, Mr. PRYOR, Mr. MAHON, Mr. JONAS, Mr. MINSHALL, Mr. WYMAN, Mr. TALCOTT, and Mr. Bow were appointed managers on the part of the House at the further conference.

#### APPOINTMENTS BY THE CHAIR

Mr. HOLLINGS. The Chair, on behalf of the Vice President and under the provisions of Public Law 170 of the 74th Congress, announces the appointment of the following Senators to attend the Interparliamentary Union meeting, to be held at Rome, Italy, on December 3 through 9, 1967: Senators YARBOROUGH, HOLLINGS, ALLOTT, and JORDAN of Idaho.

#### CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888)

making continuing appropriations for the fiscal year 1968, and for other purposes.

Mr. DIRKSEN. Mr. President, I am prepared to yield back the remainder of my time.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I note that in subsection (1) of paragraph (a) of the distinguished Senator's amendment, he refers to the fact that conditions have drastically changed "both as to estimated revenue receipts and estimated expenditures during the fiscal year 1968."

I take it that statement would mean that the Senator is not talking about applying his reduction to the original estimate of expenditures submitted in January but to the present estimate. Am I correct?

Mr. DIRKSEN. Precisely so.

Mr. HOLLAND. I am correct?

Mr. DIRKSEN. The Senator is correct.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. PASTORE. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Arizona has 11 minutes remaining on the amendment.

Mr. PASTORE. Mr. President, may I be recognized for 3 or 4 minutes?

Mr. HOLLAND. Mr. President, for the Senator from Arizona I yield 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 5 minutes.

Mr. PASTORE. Mr. President, I voted for the last amendment sponsored by the Senator from South Dakota because I felt he was touching upon a responsibility which is that of the Congress itself. His amendment was confined to the appropriations.

On the other hand, Mr. President, this amendment has to do with expenditures. If any mistake has been made appropriating too much money, that was the responsibility of the Congress itself. It was our deliberate act.

Now, we are a three-branch government. I do not think it is within the jurisdiction of the Congress itself to mandate the President of the United States without his consent on expenditures of money.

Once we have appropriated the money, the responsibility to spend the money is an executive function. It is a function that belongs to the President of the United States and he can spend the money that has been appropriated or he can freeze the money that has been appropriated. But that is his exclusive jurisdiction.

Now, this is a simple joint resolution to extend the authority under the existing continuing resolution. In this amendment we are saying to the President of the United States in a very subtle fashion, "We, the Congress, have appropriated too much money but now, Mr. President, unless you do something about not spending \$5 billion of that money which we have appropriated, then we are going to do this to you; we are going to do this to you before we adjourn this Congress."



I think if we want to address the President of the United States on the expenditure of money we should go hat in hand to the White House and say, "Mr. President, we have been too extravagant. Now, you, as a very judicious man, you as a very frugal man, will you please help us out of this dilemma and please not spend \$5 billion of the money we sent you to spend?"

But all of this has political overtones. All we are doing here is trying to put the cat on the back of the President of the United States, and for what? For something we ourselves have done. We have appropriated too much money. Only 2 weeks ago we appropriated millions and millions and millions of dollars for public works that were not even budgeted—not even budgeted.

Now we are telling the President of the United States, "You go ahead, Mr. President, this is your responsibility. You do not spend \$5 billion of this extravagant amount that we sent to you, including what we did 2 weeks ago."

That is what is wrong with this amendment. It is impertinent to the President of the United States. What we should do, if we want to do something, because of the situation that now exists that we did not recognize, is to say, "We ask you, please, Mr. President, won't you help us out of our dilemma? Won't you help us out of our injudiciousness, and please do not spend the \$5 billion we sent you to spend."

Then we would be acting with a little bit of discretion and with a little bit of respect and courtesy.

All we are doing in Congress is appropriating, appropriating, and appropriating. Then, the next day, we are telling the President of the United States, "Don't spend it."

Oh, yes, it makes some fancy headlines, and it is the subject of every Republican Party dinner in the country, and it makes pretty good reading on the part of some people.

We are in financial trouble. The President of the United States anticipated an administrative deficit of maybe \$25 billion. We cannot stand that deficit unless we either cut the budget or raise taxes. Otherwise, we run ourselves into inflation. We all understand that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. I will take 2 minutes more.

Mr. HOLLAND. Mr. President, I am glad to yield 2 additional minutes to the Senator from Rhode Island.

Mr. PASTORE. I thank the Senator.

But, Mr. President, the time has come when we assume the responsibility. The time is at hand when the supplemental bill comes up here to do what needs to be done on the appropriation bills which are still pending. That is our responsibility and we can do something about saving the money that needs to be saved.

But this very glorious, very dramatic gesture of making it appear that if the President of the United States does not do what we tell him to do, then before we go home we will teach him a lesson. My goodness gracious. Where is our commonsense? Where is our common courtesy? Shame on us, Mr. President.

I yield the floor.

Mr. DIRKSEN. Mr. President—

Mr. MAGNUSON. Mr. President, will the Senator yield to me for one-half minute?

Mr. DIRKSEN. I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, the Senator from Rhode Island is very persuasive, but I am sure he does not want the Record to show that after the work done by the Public Works Appropriations Committee we appropriated, I think he said, millions and millions and millions over the budget.

Mr. PASTORE. No; I did not say that. Unbudgeted items.

Mr. MAGNUSON. Unbudgeted items.

Mr. PASTORE. That is correct. That is what I said.

Mr. MAGNUSON. I understand unbudgeted items of about \$4 billion and the whole bill was millions and millions and millions of dollars under the budget.

Mr. PASTORE. I remind the Senate that \$4 billion is billion, billion, billion, billion—four times a billion. [Laughter.] That is what I said. Whether it is peanuts or potsful of money, if it does not belong there, let us take it out. I voted against it, even though it had one of my projects in it.

Mr. MAGNUSON. We are about millions and millions under the budget.

Mr. PASTORE. I did not say that. I said that we voted unbudgeted—unasked for millions.

The PRESIDING OFFICER. The Senator from Illinois has 2 minutes remaining.

Mr. DIRKSEN. Mr. President, I am overwhelmed by the compassionate sentiments of my distinguished friend from Rhode Island. I am glad that he shares my view. I have said over and over again this afternoon that I want Congress to share and, in fact, to accept the responsibility for this budget. No one has yet stood in his place anywhere, any time, and stated as a matter of fact that the President ever proposed a cut or sent us a message. OK, I accept it. I will bleed with him if he does not want to do it. But I want to do my duty and this resolution states, in view of the fact he has not done so, we ought to stay in this session until we bring about a cut of \$5 billion in expenditures.

What good does it do to cut an appropriation when it goes into the bloodstream out of previously appropriated funds that are roaming around in this Government by the billions that we cannot touch and have not touched. The only way to meet inflation and the dangers down the road is to take it out of the expenditure stream, because that is what is going to count.

The President gets in on the other end of the road. He said, "Give me a tax cut of \$6.3 billion." I say let us cut \$5 billion out of the expenditures and that comes pretty close to meeting the tax cut.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I rest the case.

Mr. MANSFIELD. Mr. President, I yield 2 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, I have en-

joyed this debate. The distinguished senior Senator from Illinois has made many fine speeches. I have heard him in both the House of Representatives and the Senate. I have heard him on platforms in Republican conventions. Some Members of the Senate seem to take the pending speech seriously.

This is a toothless resolution. It means nothing. It merely states that it is the sense of the Senate that, under certain contingencies, the Senate or Congress should do so-and-so.

Well, many of us know that there are many things we should do, but it does not mean anything unless we do them.

If the Senator from Illinois is sincere and wants to cut expenditures \$5 billion, then let him offer an amendment rescinding the appropriations.

That would mean something.

This is just a stump speech—a toothless, meaningless stump speech.

The PRESIDING OFFICER. Who yields time? Is all time now yielded back?

Mr. MANSFIELD. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back. The question is on agreeing to the amendment, as modified, of the Senator from Illinois [Mr. DIRKSEN].

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON (when his name was called). On this vote I have a pair with the distinguished Senator from Massachusetts [Mr. KENNEDY]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. McCARTHY], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING], and the Senator from Oregon [Mr. MORSE] would each vote "nay."

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Alabama would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Massachusetts [Mr. BROOKE] is absent on official business.

The Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from Vermont [Mr. PROUTY], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator



from Iowa [Mr. MILLER], the Senator from Vermont [Mr. PROUTY], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 39, nays 45, as follows:

[No. 301 Leg.]

YEAS—39

Aiken	Eastland	Mundt
Allott	Fannin	Murphy
Baker	Griffin	Pearson
Bennett	Hansen	Percy
Boggs	Hickenlooper	Proxmire
Byrd, Va.	Hruska	Russell
Carlson	Javits	Scott
Church	Jordan, Idaho	Smith
Cooper	Lausche	Stennis
Cotton	McClellan	Talmadge
Curtis	McGovern	Thurmond
Dirksen	Monroney	Williams, Del.
Dominick	Morton	Young, N. Dak.

NAYS—45

Anderson	Hayden	Mondale
Bartlett	Hill	Montoya
Bayh	Holland	Moss
Bible	Hollings	Muskie
Brewster	Inouye	Pastore
Burdick	Jackson	Pell
Byrd, W. Va.	Jordan, N.C.	Randolph
Cannon	Kennedy, N.Y.	Ribicoff
Case	Long, Mo.	Smathers
Ellender	Long, La.	Spong
Fong	Magnuson	Symington
Gore	Mansfield	Tydings
Harris	McGee	Williams, N.J.
Hart	McIntyre	Yarborough
Hartke	Metcalfe	Young, Ohio

NOT VOTING—16

Brooke	Hatfield	Nelson
Clark	Kennedy, Mass.	Prouty
Dodd	Kuchel	Sparkman
Ervin	McCarthy	Tower
Fulbright	Miller	
Gruening	Morse	

So Mr. DIRKSEN's amendment, as modified, was rejected.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was not agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the committee amendment.

Mr. DIRKSEN. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. DIRKSEN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRD of Virginia. Mr. President, House Joint Resolution 888 was passed by the House of Representatives on Wednesday, October 18, by a vote of 253 to 143.

It is significant that 86 Democrats supported this resolution, including the chairman of the House Ways and Means Committee, WILBUR MILLS, of Arkansas.

Every member of the Virginia delegation—six Democrats and four Republicans—voted for House Joint Resolution 888. Insofar as Virginia is concerned, at least, this was not a partisan political matter.

The Virginia delegation in the House of Representatives was convinced, as am I, that drastic action must be taken to put the Nation's financial house in order.

While there are objections to House Joint Resolution 888, I feel that under the circumstances—faced with the tremendous deficit of approximately \$20 billion—that its enactment is justified.

Mr. President, in August at a meeting with a group of businessmen at least one Cabinet official told these businessmen that the administration would reduce spending by \$7½ billion.

As a result of that meeting, I sent the following telegram to the Honorable Alan S. Boyd, Secretary of Transportation:

I understand that at a recent meeting with a group of businessmen you asserted that the Administration would reduce spending by \$7½ billion. I would appreciate an early reply of confirmation and, if possible, brief information regarding proposed cuts.

Mr. Boyd replied thusly, under date of August 23:

The Administration has not prepared a list of specific items it intended to cut from the budget because of the fact that the Congress has not completed the appropriation process. It would be irresponsible to begin making cuts prior to knowing exactly those appropriated items from which the cuts would be made and sound expenditure control can best be brought about by knowing precisely what Congress will have appropriated for 1968. When Congress has completed all of the appropriations for 1968, the Administration then, after reviewing the new appropriations, will submit its list of items which it believes can best be cut from the federal budget.

Frankly, I am not impressed with the administration's reasoning.

What the administration's spokesmen say, in effect, is this: We can get by with \$7½ billion less than the recommendations contained in the President's budget. We can get by with \$7½ billion less, but you appropriate it anyway—and then we will not spend it.

Ten months ago the President estimated that the deficit for the current fiscal year would approximate \$8 billion. Today we are told by the Treasury Department that the deficit will exceed \$20 billion.

Thus it is clear that the whole fiscal situation has changed and, therefore, the budget ought to change with it.

Mr. President, the Senate Appropriations Committee has eliminated every aspect of House Joint Resolution 888 with the exception of continuing the appropriations until November 15, 1967.

I realize the Appropriations Committee has been working long and hard to bring some order to the chaotic condition created by the swollen and expanded budget recommendations of the President.

I would like to support the committee's position. But I feel the House action, under the circumstances facing us at the present time, was justified.

So I shall vote against the committee amendment, thus voting to sustain the action of the House, which would limit expenditures for the current fiscal year to \$131,500,000,000, "except those expenditures in excess of \$22 billion which the President may determine are necessary in behalf of our military effort in Southeast Asia."

The PRESIDING OFFICER. The question is on the committee amendment.

Mr. DIRKSEN. Mr. President, for the information of the Senate, is the present vote on the committee amendment?

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. That is what the yeas and nays have been ordered on?

The PRESIDING OFFICER. That is correct. The question is on the committee amendment to strike out the language beginning with the word "and" on line 6, page 1, down to the end of the joint resolution.

Mr. MUNDT. Mr. President, is this a final vote, or is another vote still required?

The PRESIDING OFFICER. A vote on passage is required.

The question is on agreeing to the committee amendment. The yeas and nays have been ordered, and the clerk will call the roll—

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. If the committee amendment is defeated, does it mean that the House joint resolution as it was sent over to the Senate will then be before the Senate?

The PRESIDING OFFICER. The House language would come back into the joint resolution.

Mr. GRIFFIN. So a vote against the committee amendment would be a vote for the House joint resolution. Is that correct?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendment to strike the language beginning with the word "and" on page 1, in line 6, to the end of the joint resolution.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from South Dakota [Mr. McGOVERN], and the Senator from Oregon [Mr. MORSE], are absent on official business.

I also announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Alabama [Mr. SPARKMAN], are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from South Dakota [Mr. McGOVERN], the Senator from Oregon [Mr. MORSE], and the Senator from Alabama [Mr. SPARKMAN], would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Massachusetts [Mr. BROOKE] is absent on official business.

The Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from Vermont [Mr. PROUTY], and the Senator from Texas [Mr. TOWER] are necessarily absent.

On this vote, the Senator from Massachusetts [Mr. BROOKE] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from



Massachusetts would vote "yea" and the Senator from Iowa would vote "nay."

On this vote, the Senator from Oregon [Mr. HATFIELD] is paired with the Senator from Vermont [Mr. PROUTY]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Vermont would vote "nay."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from California would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 50, nays 34, as follows:

[No. 302 Leg.]

YEAS—50

Aiken	Hayden	Montoya
Anderson	Hill	Moss
Bartlett	Holland	Muskie
Bayh	Inouye	Nelson
Bible	Jackson	Pastore
Brewster	Javits	Pell
Burdick	Jordan, N.C.	Randolph
Byrd, W. Va.	Kennedy, N.Y.	Ribicoff
Cannon	Long, Mo.	Scott
Case	Long, La.	Smathers
Cooper	Magnuson	Smith
Ellender	Mansfield	Tydings
Fong	McGee	Williams, N.J.
Gore	McIntyre	Yarborough
Harris	Metcalfe	Young, N. Dak.
Hart	Mondale	Young, Ohio
Hartke	Monroney	

NAYS—34

Allott	Fannin	Pearson
Baker	Griffin	Percy
Bennett	Hansen	Proxmire
Boggs	Hickenlooper	Russell
Byrd, Va.	Hollings	Spong
Carlson	Hruska	Stennis
Church	Jordan, Idaho	Symington
Cotton	Lausche	Talmadge
Curtis	McClellan	Thurmond
Dirksen	Morton	Williams, Del.
Dominick	Mundt	
Eastland	Murphy	

NOT VOTING—16

Brooke	Hatfield	Morse
Clark	Kennedy, Mass.	Prouty
Dodd	Kuchel	Sparkman
Ervin	McCarthy	Tower
Fulbright	McGovern	
Gruening	Miller	

So the committee amendment was agreed to.

## LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the remainder of today, for tomorrow, and for the rest of the week, if he can tell us.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, when we dispose of this bill, that will be the end of the business for today. We shall have some bills, not of major importance, for tomorrow. We hope to have three or four conference reports tomorrow and Friday. There may be some votes on those reports, because of the feeling which the subject of appropriations seems to have generated in both Houses.

On Friday at 12:15, the Senate will leave the Chamber in a body, to proceed to the Hall of the House of Representatives to attend a joint meeting, which will be addressed by President Gustavo Diaz Ordaz of Mexico.

So I hope Senators will be aware of the possibility of votes tomorrow and Friday, and will be cognizant of the distinct honor which is being paid us by

the President of Mexico when in addressing a joint meeting on Friday next.

Mr. DIRKSEN. I thank the majority leader.

## CONTINUING APPROPRIATIONS, 1968

The Senate resumed the consideration of the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes.

The PRESIDING OFFICER. The joint resolution (H.J. Res. 888) is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I yield 3 minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from South Dakota is recognized.

Mr. MUNDT. Mr. President, first of all, I express my appreciation for the graciousness of the majority leader, because we had run completely out of time on this side of the aisle.

The PRESIDING OFFICER. The Senator will withhold for a moment, until order is restored.

The Senator from South Dakota may proceed.

Mr. MUNDT. I take this brief time simply, Mr. President, to point out why I shall vote "no" on the question of passage, and to recommend that course of action to my fellow Senators. I know it will not be followed, because we have tested the waters of economy today, and found in them tremendous interest, much support, and a great deal of illuminating discussion. But we lacked the votes in order to quite make the grade in demonstrating any determination for economy on our side. I am gratified of course that only five Republican votes were included in those opposing my economy amendment.

Unfortunately, today, we have closed the door to any economy effort. But by voting "no," we could at least avoid locking the door, and we would keep the latchstring out and our options open.

If we vote "no" and the "nays" prevail, the matter will go back to our Appropriations Committee tomorrow, and we will have before us there all the matters which have been discussed and the objections which have been raised, and will be able to test the capacity of the Appropriations Committee to come up with some other type of continuing resolution containing some formula for effectuating economy.

If we simply vote "yea," we put ourselves in the position of throwing the cold water of indifference on the economy fires which are burning in the House

of Representatives, and will really come close to extending to the House a gratuitous insult, because the best we shall have done with their effort will be to turn the whole thing down.

So I submit that voting "no" on passage will keep our objectives open, and keep the hopes for economy alive; and I predict, if that view should prevail, it would result in a shorter conference, in more constructive action, and in a faster disposition of this problem than if we simply shirk our responsibility now and vote to postpone the whole issue until November 15 by voting in favor of the continuing resolution.

I suggest the wisdom of a negative vote.

Mr. HOLLAND. Mr. President, I shall not detain the Senate but a few minutes.

I shall vote "yea" for the resolution. I believe that is the appropriate vote. I think when it came out of the large Committee on Appropriations with only four "nay" votes, that indicated that a good many Senators on that committee feel that this is the proper course, after having looked at the matter much more in detail than is possible here.

So far as I am concerned, I would have been glad to have voted for something like the Dirksen amendment, and offered to do so if the Senator had reduced his figure to a \$4 billion reduction of the spending budget. I am sure there were many others who felt the same way. I was not willing to vote for a declaration which expressed the possibility of a cut beyond what I thought was reasonable or could be done, without destroying vital functions of Government.

A \$4 billion cut in the spending budget means a cut of somewhere between \$7 and \$8 billion in appropriations for both this year and prior years. I felt that was the extreme limit to which we could go, and know that a good many other Senators felt as I did.

I believe we will have room, in conference, to work the matter out.

I must say that every time we pass an additional appropriation bill—and we have four of them, now, out of conference and ready to be passed—this resolution becomes more and more meaningless, and it will soon be entirely meaningless. Mr. President, I think that a "yea" vote is the courteous vote to the House of Representatives, and will show we are not simply disregarding what they have done.

But we think that in conference something can be better worked out than what they did on the spur of the moment on the floor.

I have talked to a good many Members of the House of Representatives who feel the same way and who are not happy about the action taken by the House on the floor, more or less on the spur of the moment, when four different amendments offered from the House took the place of the committee proposal that had come to the floor prior to that time.

I shall vote "yea" for the passage of the joint resolution.

The PRESIDING OFFICER. All time having expired, the question is, Shall the joint resolution pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.



The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. McCARTHY], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. CLARK], the Senator from North Carolina [Mr. ERVIN], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Massachusetts [Mr. BROOKE] is absent on official business.

The Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from Vermont [Mr. PROUTY], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "yea."

On this vote, the Senator from Massachusetts [Mr. BROOKE] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Iowa would vote "nay."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from California would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 59, nays 26, as follows:

[No. 303 Leg.]

YEAS—59

Aiken	HILL	Muskie
Anderson	Holland	Pastore
Bartlett	Inouye	Pearson
Bayh	Jackson	Pell
Bible	Javits	Randolph
Boggs	Jordan, N.C.	Ribicoff
Brewster	Kennedy, N.Y.	Russell
Burdick	Long, Mo.	Scott
Byrd, W. Va.	Long, La.	Smathers
Cannon	Magnuson	Smith
Carlson	Mansfield	Spong
Case	McClellan	Stennis
Eastland	McGee	Symington
Ellender	McGovern	Talmadge
Fong	McIntyre	Tydings
Gore	Metcalf	Williams, N.J.
Harris	Mondale	Yarborough
Hart	Monroney	Young, N. Dak.
Hartke	Montoya	Young, Ohio
Hayden	Moss	

NAYS—26

Allott	Dominick	Morton
Baker	Fannin	Mundt
Bennett	Griffin	Murphy
Byrd, Va.	Hansen	Nelson
Church	Hickenlooper	Percy
Cooper	Hollings	Proxmire
Cotton	Hruska	Thurmond
Curtis	Jordan, Idaho	Williams, Del.
Dirksen	Lausche	

NOT VOTING—15

Brooke	Gruening	Miller
Clark	Hatfield	Morse
Dodd	Kennedy, Mass.	Prouty
Ervin	Kuchel	Sparkman
Fulbright	McCarthy	Tower

So the joint resolution (H.J. Res. 888) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. RUSSELL, Mr. ELLENDER, Mr. HILL, Mr. HOLLAND, Mr. PASTORE, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mrs. SMITH conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, with the passage of the continuing appropriation resolution the senior Senator from Arizona [Mr. HAYDEN], the distinguished chairman of the Appropriations Committee, adds another monumental achievement to an already abundant record of outstanding public service. Senator HAYDEN employed the same keen understanding of the problems involved in this funding measure that has characterized his efforts in behalf of so many of his past accomplishments.

The consideration of this particular resolution presented an issue basic to the nature and function of the appropriations responsibility of the Congress. In meeting that issue, Senator HAYDEN led the fight to sustain here in the Senate, what I feel is the proper role of the Congress with respect to funding measures. He deserves the highest commendation of the Senate for the vital part he has played in obtaining this success.

Joining Senator HAYDEN was the distinguished senior Senator from Florida [Mr. HOLLAND] whose articulate support was most persuasive. As on all issues that gain his endorsement, Senator HOLLAND's advocacy was at once brilliant and highly effective.

The senior Senator from South Dakota [Mr. MUNDT] is likewise to be commended for urging so capably his strong and sincere views on this matter. Though he advocated a different position than that which ultimately prevailed, he did so with the same articulate expression and broad expertise that have always credited his participation. The senior Senator from Delaware [Mr. WILLIAMS] and the distinguished minority leader, the senior Senator from Illinois [Mr. DIRKSEN], also deserve high praise for the strong advocacy they employed in urging their respective positions.

We welcomed and immensely appreciated the support of other Senators who joined the discussion. Notable were the contributions of the senior Senator from Rhode Island [Mr. PASTORE], the senior Senator from Colorado [Mr. ALLOTT], the senior Senator from North Dakota [Mr. YOUNG], and the senior Senator from Louisiana [Mr. ELLENDER]. They too, deserve high commendation.

And finally, to the entire Senate goes the deep appreciation of the leadership for the magnificent cooperation demonstrated by all Senators in disposing of this matter promptly, efficiently and with full consideration for the views of every Member. I am confident that the conferees on this measure will exercise their best efforts to assure swift action by the

Congress so that the affected agencies of the Government will not be impeded in the administration of their various programs.

#### ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER FOR RECOGNITION OF SENATOR PERCY TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the transaction of morning business on tomorrow, the distinguished Senator from Illinois [Mr. PERCY] be recognized for up to 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10345) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1968, and for other purposes; and that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill and concurred therein.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11641) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Inter-oceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 2 to the bill, and concurred therein, with an amendment, in which it requested the concurrence of the Senate; that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill and concurred therein; and that the House insisted on its disagreement to the amendment of the Senate numbered 13 to the bill.

#### ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4772) to authorize the Secretaries concerned to direct the



# H. J. RES. 888

---

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 1967

Ordered to be printed with the amendments of the Senate numbered

---

## JOINT RESOLUTION

Making continuing appropriations for the fiscal year 1968, and  
for other purposes.

1       *Resolved by the Senate and House of Representatives*  
2       *of the United States of America in Congress assembled,*

3       That the joint resolution of October 5, 1967 (Public  
4       Law 90-102) is hereby amended by striking out "October  
5       23, 1967" and inserting in lieu thereof (1)~~"November 23,~~  
6       ~~1967"~~ "November 15, 1967". (2)and by adding the follow-  
7       ing language:

8       Provided further that for fiscal year 1968, unless hostil-  
9       ities in Viet Nam and Southeast Asia should cease earlier,  
10      Federal spending of appropriated funds except expenditures  
11      from trust funds by each Department and Agency of govern-  
12      ment, including the Legislative and Judicial branches, except



1 for military expenditures of the Department of Defense  
2 directly related to our involvement in Southeast Asia, includ-  
3 ing pay of all military personnel, the payment of interest  
4 on the National Debt, payments under the Social Security  
5 Act, veterans and other retirement benefits, medicare and  
6 old age assistance payments, shall not exceed the amount  
7 expended during fiscal year 1967, except that the limitation  
8 on the Department of Transportation shall not be more than  
9 95 percentum of the Budgeted amount for 1968. Provided  
10 further that where deemed necessary to maintain mail serv-  
11 ice, the President is authorized to exempt the Post Office  
12 Department from the provisions of this Act; and provided  
13 further, should the President deem it necessary for collection  
14 of revenue, he is authorized to exempt, to the extent neces-  
15 sary, the Internal Revenue and the Customs Services.

16     Provided further that such reduction of expenditures in-  
17 sofar as practical may be made by stretching out the time  
18 schedule of performance and payment on contracts so as not  
19 to require the elimination of new construction starts, and  
20 by each Department and Agency not filling vacancies.

21     "Provided further, that net aggregate administrative  
22 budget expenditures during the fiscal year ending June 30,  
23 1968 shall not exceed \$131,500,000,000, except by those  
24 expenditures in excess of \$22 billion that the President may



determine are necessary in behalf of our military effort in Southeast Asia."

"Provided further, that appropriations made by Public Law 90-102, as amended, shall be available for activities budgeted under "Office of Economic Opportunity, Economic Opportunity Program" at a rate not in excess of that which would be provided for by an appropriation of \$1,200,000,000 for the fiscal year ending June 30, 1968.

SEC. —. Obligations during the period by section 1 hereof for activities to be authorized by the Foreign Assistance Act of 1967 (S. 1872 or similar legislation) shall not exceed an annual rate of \$2,000,000,000 during the fiscal year ending June 30, 1968.

Passed the House of Representatives October 18, 1967.

Attest: W. PAT JENNINGS,

*Clerk.*

Passed the Senate with amendments October 25, 1967.

Attest: FRANCIS R. VALEO,

*Secretary.*



## JOINT RESOLUTION

Making continuing appropriations for the fiscal  
year 1968, and for other purposes.











# **DIGEST** of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued Oct. 27, 1967  
For actions of Oct. 26, 1967  
90th-1st; No. 173

### CONTENTS

Agway.....	14	Farm vehicles.....	35	Recreation.....	21
Air pollution.....	9,15,32	Flood insurance.....	15	Redwood park.....	30
Appropriations.....	2,16	Foreign trade.....	23,33,38	Rural development.....	19
Buildings.....	7	Interest rates.....	13	Ryukyu Islands.....	8
Census.....	34	Intergovernmental		Taxation.....	10,35,37
Cherries.....	4	relations.....	22	Textiles.....	38
Communications.....	27	Job Corps.....	12,20	Tobacco.....	3
Continuing		Legislative program.....	15	Trade practices.....	1
appropriations.....	2	Manpower development.....	25	Travel.....	5
Cooperatives.....	1,17	Meat inspection.....	15,39	Water compact.....	41
Cotton.....	15,28	Patents.....	31	Water pollution.....	37
Disaster relief.....	26	Pay increase.....	29	Water resources.....	18
Economic development.....	40	Poverty.....	24	Watersheds.....	6
Export controls.....	33	Printing.....	11		
Farm loans.....	36	REA Co-ops.....	17		

HIGHLIGHT: House committee reported bill to prohibit unfair trade practices regarding cooperatives.

### HOUSE

1. TRADE PRACTICES. The Agriculture Committee reported without amendment H. R. 13541, to prohibit unfair trade practices affecting producers of agricultural products and associations of such producers (H. Rept. 824). p. H14125
2. APPROPRIATIONS. Conferees were appointed on H. J. Res 888, the continuing appropriations resolution. Senate conferees have already been appointed. p. H14061  
Both Houses agreed to the conference report on H. R. 12474, the NASA appropriation bill. This bill will now be sent to the President. pp. H 14036-8, S15405-8



Both Houses agreed to the conference report on H. R. 9960, the independent offices and HUD appropriation bill. This bill will now be sent to the President. pp. H14038-45

Agreed to the conference report on H. R. 10196, the Labor-HEW appropriation bill. pp. H14061-8

Rep. Patten inserted an editorial opposing a lump-sum reduction in appropriations. p. H14111

3. TOBACCO. The Agriculture Committee voted to report (but did not actually report) H. R. 13653, amended, "to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended." p. D963  
Rep. Henderson criticized HEW officials for opposing the use of tobacco while saying we can "tolerate" marijuana. p. H14034
4. CHERRIES. The Agriculture Committee voted to report (but did not actually report) H. R. 4282, to amend the Agricultural Marketing Agreement Act so as to eliminate certain requirements with respect to effectuating marketing order for cherries. p. D963
5. TRAVEL. A subcommittee of the Government Operations Committee approved H. R. 7113, amended, to increase the maximum rate of per diem allowance for Government personnel traveling on official business. p. D963
6. WATERSHEDS. Received from this Department reports on various watershed projects with a statement that no action will be taken on these projects until legislation is enacted dealing with the committee-veto issue; to Agriculture and Public Works Committees. p. H14125
7. BUILDINGS. The Government Operations Committee presented a report, "Evaluation of Allegations of Painting Deficiencies Involving Federal Facilities in the Washington Area" (H. Rept. 830). p. H14125
8. RYUKYU ISLANDS. Concurred in the Senate amendment to H. R. 4903, to authorize an increase in the authorization for development of the Ryukyu Islands. The amendment reduces the new figure from \$25,000,000 to \$17,500,000 per year. This bill will now be sent to the President. p. H14045
9. AIR POLLUTION. Rep. Rhodes, Ariz., said the Republican Policy Committee support S. 780, the air quality bill. p. H14086  
Rep. Reinecke recommended a stronger air pollution bill. pp. H14103-4
10. TAXATION. Rep. Langen recommended that certain farm vehicles be exempted from the highway use tax. p. H14093
11. PRINTING. Rep. Rooney, Pa., criticized the quality of the work of the Government Printing Office. pp. H14108-9
12. JOB CORPS. Rep. Holland inserted an article stating that Rep. Bolton had praised the Job Corps. pp. H14110-11
13. INTEREST RATES. Rep. Patman recommended that Congress require the Federal Reserve Board to reduce interest rates. pp. H14118-9
14. AGWAY. Rep. Hanley commended the work of Agway, Inc., a farmers cooperative. p. H14122



Machen	Price, Tex.	Springer
Mahon	Pryor	Stafford
Mailliard	Pucinski	Staggers
Marsh	Purcell	Stanton
Mathias, Calif.	Quie	Steed
Mathias, Md.	Quillen	Steiger, Ariz.
Matsunaga	Railsback	Steiger, Wis.
May	Randall	Stephens
Mayne	Rees	Stratton
Meeds	Reid, Ill.	Stubblefield
Meskill	Reid, N.Y.	Sullivan
Michel	Reifel	Taft
Miller, Ohio	Reinecke	Talcott
Mills	Resnick	Taylor
Minish	Reuss	Teague, Calif.
Mink	Rhodes, Ariz.	Teague, Tex.
Minshall	Rhodes, Pa.	Thompson, Ga.
Mize	Rivers	Thomson, Wis.
Monagan	Roberts	Tiernan
Montgomery	Robison	Tuck
Moore	Rodino	Tunney
Moorhead	Rogers, Colo.	Udall
Morgan	Rogers, Fla.	Ullman
Morris, N. Mex.	Ronan	Van Deerlin
Mosher	Rooney, N.Y.	Vander Jagt
Moss	Rooney, Pa.	Vank
Multer	Rosenthal	Vigonto
Murphy, Ill.	Rostenkowski	Waggonner
Murphy, N.Y.	Roth	Waldie
Myers	Roudebush	Walker
Natcher	Roush	Wampler
Nedzi	Roybal	Watkins
Nelsen	Rumsfeld	Watson
Nichols	Ryan	Watts
Nix	St Germain	Whalen
O'Hara, Ill.	Sandman	Whalley
O'Konski	Satterfield	White
Olsen	Saylor	Whitener
O'Neal, Ga.	Schadeberg	Whitten
O'Neill, Mass.	Scherle	Widnall
Ottinger	Scheuer	Wiggins
Passman	Schneebeli	Williams, Pa.
Patman	Schweiker	Wilson, Bob
Patten	Scott	Wilson,
Pelly	Selden	Charles H.
Pepper	Shipley	Winn
Perkins	Shriver	Wolff
Pettis	Sikes	Wyatt
Philbin	Sisk	Wydler
Pickle	Skubitz	Wyllie
Pike	Slack	Wyman
Pirnie	Smith, Calif.	Yates
Poage	Smith, Iowa	Young
Poff	Smith, N.Y.	Zablocki
Pool	Smith, Okla.	Zion
Price, Ill.	Snyder	Zwach

## NAYS—2

Davis, Wis.

Gross

## NOT VOTING—45

Ashmore	Fuqua	Morton
Aspinall	Hanna	O'Hara, Mich.
Bell	Hawkins	Pollock
Boggs	Hébert	Rarick
Broomfield	Herlong	Riegle
Brown, Calif.	Holifield	Ruppe
Cohelan	Jones, Mo.	St. Onge
Corman	Kyl	Schwengel
Dawson	Lipscomb	Stuckey
Dickinson	Long, La.	Tenzer
Diggs	McFall	Thompson, N.J.
Everett	Madden	Utt
Evins, Tenn.	Martin	Williams, Miss.
Fisher	Miller, Calif.	Willis
Fountain	Morse, Mass.	Wright

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Lipscomb for, with Mr. Martin against.

Until further notice:

Mr. Boggs with Mr. Broomfield.

Mr. Hébert with Mr. Morse of Massachusetts.

Mr. St. Onge with Mr. Bell.

Mr. Evins of Tennessee with Mr. Morton.

Mr. Cohelan with Mr. Utt.

Mr. Hanna with Mr. Ruppe.

Mr. Corman with Mr. Schwengel.

Mr. Brown of California with Mr. Riegle.

Mr. Aspinall with Mr. Dickinson.

Mr. Ashmore with Mr. Kyl.

Mr. McFall with Mr. Pollock.

Mr. Long of Louisiana with Mr. Stuckey.

Mr. Tenzer with Mr. Dawson.

Mr. Thompson of New Jersey with Mr. Herlong.

Mr. Madden with Mr. Wright.

Mr. Miller of California with Mr. Diggs.  
Mr. Fountain with Mr. Williams of Mississippi.

Mr. O'Hara of Michigan with Mr. Hawkins.

Mr. Holifield with Mr. Willis.

Mr. Rarick with Mr. Fuqua.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE TO EXTEND

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

## PERSONAL ANNOUNCEMENT

Mr. HOLIFIELD. Mr. Speaker, I was not present in the House when my name was called. I therefore cannot qualify. Had I been present, I would have voted "yea."

## APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 888, CONTINUING APPROPRIATIONS, 1968

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 888), making continuing appropriations for the fiscal year 1968, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. MAHON, KIRWAN, WHITTEN, ROONEY of New York, BOLAND, NATCHER, BOW, JONAS, and LAIRD.

## APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE FOR 1968—CONFERENCE REPORT

Mr. FLOOD submitted the following conference report and statement on the bill (H.R. 10196) making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1968:

## CONFERENCE REPORT (H. REPT. No. 831)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10196) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, 7, 9, 11, 12, 17, 19, 20, 21, 22, 23, 24, 25, 28, 37, 38, 39, 40, 41, 42, 43, 44, 47, 48, 49, 50, 51, 59, 60, 67, 68, and 71.

That the House recede from its disagreement to the amendments of the Senate num-

bered 1, 2, 4, 15, 16, 26, 53, 62, 63, 65, 66, 70, and 72, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,677,907,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$82,200,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$79,200,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

*"Provided further, That no part of this appropriation for payments to local educational agencies for the maintenance and operation of schools shall be available to carry out the provisions of legislation for this purpose enacted after June 30, 1967".*

And the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$13,500,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$63,937,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$164,663,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "including \$35,000,000 for dental facilities as authorized by subsections (2) and (3) of said section"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$27,942,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$41,750,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$54,234,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:



In lieu of the sum proposed by said amendment insert "\$18,000,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$63,230,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$58,814,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$53,900,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$100,168,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$19,912,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,250,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 18, 35, 52, 55, 56, 61, 64, and 69.

DANIEL J. FLOOD,  
WILLIAM H. NATCHER,  
NEAL SMITH,  
W. R. HULL, Jr.,  
BOB CASEY,  
GEORGE MAHON,  
MELVIN R. LAIRD,  
ROBERT H. MICHEL,  
GARNER E. SHRIVER,  
FRANK T. BOW,

*Managers on the Part of the House.*

LISTER HILL,  
RICHARD B. RUSSELL,  
WARREN G. MAGNUSON,  
JOHN STENNIS,  
ALAN BIBLE,  
ROBERT C. BYRD,  
JACOB K. JAVITS,  
NORRIS COTTON,

*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10196) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF LABOR

*Manpower administration*

Amendment No. 1: Appropriates \$385,497,000 for "Manpower development and training activities," as proposed by the Senate instead of \$394,997,000 as proposed by the House. It was not the intention of the con-

ferrees, in agreeing to the lower figure, to ban the use of this appropriation for the training of prison inmates. The conferees are agreed that health services for trainees under section 202(k) of the Manpower Development and Training Act of 1962, as amended, should be furnished under the regular Vocational Rehabilitation Program. Vocational Rehabilitation appropriations should be used for providing these services to all MDT Trainees. This is the most efficient way of providing for the whole group including those who would otherwise qualify for VR services.

*Wage and labor standards*

Amendments Nos. 2 and 3: Appropriate \$4,429,000 for "Bureau of Labor Standards, salaries and expenses," as proposed by the House instead of \$4,467,000 as proposed by the Senate, and provide that \$500,000 of the appropriation be for the work of the President's Committee on Employment of the Handicapped as proposed by the Senate instead of \$462,000 as proposed by the House.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

*Food and Drug Administration*

Amendment No. 4: Appropriates \$66,000,000 for "Salaries and expenses" as proposed by the Senate instead of \$66,225,000 as proposed by the House.

Amendment No. 5: Inserts language proposed by the House and stricken by the Senate pertaining to the location of a laboratory.

*Office of Education*

Amendments Nos. 6, 7, 8, 9, and 10: Appropriate \$1,677,907,000 for "Elementary and secondary educational activities" instead of \$1,645,707,000 as proposed by the House and \$1,696,707,000 as proposed by the Senate; provide that \$208,750,000 of the appropriation be for supplementary educational centers and services as proposed by the House instead of \$213,750,000 as proposed by the Senate; provide that \$82,200,000 of the appropriation be for grants to States and loans to nonprofit private schools for equipment and minor remodeling under title III of the National Defense Education Act instead of \$50,000,000 as proposed by the House and \$96,000,000 as proposed by the Senate; provide that allotments under sections 302(a) and 305 for equipment and minor remodeling shall be made on the basis of \$79,200,000 for grants to States instead of \$47,000,000 as proposed by the House and \$88,000,000 as proposed by the Senate; and strike language proposed by the Senate.

Amendments Nos. 11, 12, and 13: Appropriate \$439,137,000 for "School assistance in federally affected areas" as proposed by the House instead of \$472,937,000 as proposed by the Senate; provide that \$416,200,000 of the appropriation shall be for payments to local educational agencies for the maintenance and operation of schools as authorized by the act of September 30, 1950, as amended, as proposed by the House instead of \$450,000,000 as proposed by the Senate; and insert language proposed by the Senate with a technical amendment which will exempt the purposes of carrying out section 7 of the Act of September 30, 1950 from the limitation imposed by the language proposed by the Senate.

Amendment No. 14: Appropriates \$13,500,000 for the Teacher Corps instead of \$18,100,000 as proposed by the Senate.

Amendments Nos. 15 and 16: Appropriate \$156,500,000 for "Libraries and community services" as proposed by the Senate instead of \$155,500,000 as proposed by the House, and provide that \$5,000,000 of the appropriation shall be for transfer to the Librarian of Congress for the acquisition and cataloging of library materials as proposed by the Senate instead of \$4,000,000 as proposed by the House.

Amendment No. 17: Appropriates \$53,400,000 for "Educational improvement for the

handicapped" as proposed by the House instead of \$58,400,000 as proposed by the Senate.

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that funds made available in the 1967 "Salaries and expenses" appropriation for a comprehensive study of training programs financed in whole or in part with Federal funds shall remain available until June 30, 1968.

Amendment No. 19: Authorizes \$100,000,000 for "Participation sales authorizations" and appropriates \$925,000 for "Payment of participation sales insufficiencies" as proposed by the House and stricken by the Senate.

*Vocational Rehabilitation Administration*

Amendments Nos. 20 through 26: Appropriate \$311,550,000 for "Grants for rehabilitation services and facilities" as proposed by the House instead of \$312,550,000 as proposed by the Senate; delete the earmarking of \$1,000,000 for State planning for the development of comprehensive vocational rehabilitation programs proposed by the Senate; and provide that \$3,850,000 of the appropriation is for grants with respect to workshops and rehabilitation facilities under section 12 of the Vocational Rehabilitation Act as proposed by the House instead of \$4,850,000 as proposed by the Senate. The conferees are agreed that planning for a research and training center in the Chicago area should not be delayed and will expect that not to exceed \$200,000 of these funds be utilized for that purpose.

Amendment No. 27: Appropriates \$63,937,000 for "Research and training" instead of \$62,440,000 as proposed by the House and \$65,484,000 as proposed by the Senate.

Amendment No. 28: Appropriates \$5,319,000 for "Salaries and expenses" as proposed by the House instead of \$5,469,000 as proposed by the Senate.

*Public Health Service*

Amendment No. 29: Appropriates \$164,663,000 for "Health manpower education and utilization" instead of \$164,163,000 as proposed by the House and \$164,913,000 as proposed by the Senate.

Amendment No. 30: Provides that \$35,000,000 of the appropriation for "Construction of health educational facilities" shall be for construction and modernization of teaching facilities for the training of dentists as proposed by the Senate.

Amendment No. 31: Appropriates \$27,942,000 for "Chronic diseases" instead of \$27,504,000 as proposed by the House and \$32,692,000 as proposed by the Senate. In general, the conferees are agreed on the desirability of the purposes of the Senate increase but are also agreed that a large part of the activities for which the increase of over \$5,000,000 was earmarked is so closely related to activities financed under "Regional medical programs" that they would more properly be administered by the National Institutes of Health under that appropriation. With this in mind, the managers on the part of the House agreed to \$4,500,000 of the Senate increase for "Regional medical programs". It will be expected that the activities for which the Senate increase for "Chronic diseases" was earmarked be performed under the appropriation "Regional medical programs" to the maximum extent determined to be feasible by the National Institutes of Health.

Amendment No. 32: Appropriates \$41,750,000 for "Urban and industrial health" instead of \$41,594,000 as proposed by the House and \$42,194,000 as proposed by the Senate. The increase of \$156,000 over the amount proposed by the House is earmarked for the Arctic Health Research Center.











*Dec 4, 1967*

18. GRAINS. Rep. Rarick inserted and criticized the proposed international grain agreement. pp. H16260-72
19. AID TO INDIA. Rep. Albert inserted and discussed a USDA press release on negotiations with India under Public Law 480. p. H16277
20. INTEREST RATES. Rep. Patman announced reestablishment of the unofficial House committee in opposition to high interest rates. pp. H16191-2
21. LEGISLATIVE PROGRAM. The Daily Digest says the House will consider the Private Calendar today, Dec. 5. p. D1093

SENATE

22. SUGAR AGREEMENT. The Foreign Relations Committee reported without reservation Executive K, the protocol for the further prolongation of the International Sugar Agreement of 1958 (Ex. Rept. No. 19). p. S17733
23. LANDS. The Interior and Insular Affairs Committee reported with amendments the following bills: S. 286, to provide that the cost of certain investigations by the Bureau of Reclamation shall be nonreimbursable (S. Rept. 830); S. 1058, to authorize the Secretary of the Interior to sell lands embraced in certain terminated entries (S. Rept. 833); S. 1059, to amend the act relating to the leasing of lands in Alaska for grazing in order to make certain improvements in such act (S. Rept. 834). p. S17733
24. CONTINUING APPROPRIATIONS. Sen. Magnuson was appointed to replace Sen. Ellender as a conferee on H. J. Res. 888, to make continuing appropriations for 1968. p. S17736
25. COSPONSORS. Sen. Nelson was added as a cosponsor of S. 2613, to amend the Internal Revenue Code of 1954 to provide that farming losses incurred by persons who are not bona fide farmers may not be used to offset nonfarm income; and Sen. Stennis was added as a cosponsor of S. 2714, to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such act to farmers who have suffered severe production losses as the result of national disaster. p. S17736
26. FARM-CITY WEEK. Sen. McGovern inserted a newspaper article favorable to Under Secretary Schnitzker's Farm-City Week speech urging steps to reduce the migration of rural residents to metropolitan cities. p. S17747
27. URBAN PROBLEMS. Sen. Mundt stated that "We should not go on encouraging and subsidizing the movement of population from the farms and small towns of America to the great metropolises." He urged that State Governments assume more responsibility for correcting urban ills and inserted a supporting speech by Ohio Governor Rhodes. pp. S17741-2
28. EDUCATION. Continued debate on H. R. 7819, the elementary and secondary education bill. pp. S17769-92, S17824-44  
Sen. Symington expressed a need for more stability in Federal funds for education. p. S17740



29. FOOD FOR INDIA. Sen. Burdick said he was pleased by Secretary Freeman's announcement that negotiations have been authorized with India for the sale of food-grains under Public Law 480. pp. S17765-6
30. FOREIGN TRADE. Sen. Young, Ohio, spoke in favor of more liberal trade policy. p. S17769
31. TRUTH-IN-CREDIT. Sen. Proxmire commended and inserted an editorial calling for strong truth-in-credit legislation. pp. S17740-1
32. ECONOMY. Sen. Symington inserted an article "A Plan To Stop The Gold Drain." pp. S17739-40
33. ECONOMIC DEVELOPMENT. Sen. Pearson commended the recent formation of an east African common market called the East African Community, and inserted articles on this subject. pp. S17744-5

ITEM IN APPENDIX

34. POVERTY. Rep. Nix inserted an article, "Finance the Poverty Programs Now, Reap Benefits Later." pp. A5935-6

BILLS INTRODUCED

35. TEXTILES. H. R. 14247 by Rep. O'Konski and H. R. 14257 by Rep. Fulton, Pa., to provide for orderly trade in textile articles; to Ways and Means Committee.
36. EMPLOYMENT; HOUSING. H. R. 14244 by Rep. Conyers and others, to provide to every American a full opportunity to have adequate employment, housing, and education, free of any discrimination on account of race, color, religion, or national origin; to Education and Labor Committee.
37. WILDLIFE. H. R. 14245 by Rep. Dellenback, to declare and determine the policy of the Congress with respect to the primary authority of the several States to control, regulate, and manage fish and wildlife within their territorial boundaries; to confirm to the several States such primary authority and responsibility with respect to the management, regulation, and control of fish and wildlife on lands owned by the United States; and to specify the exceptions applicable thereto; to Merchant Marine and Fisheries Committee.
38. FOREIGN AFFAIRS. H. R. 14250 by Rep. Ryan, to authorize participation by the United States in the construction of a dual-purpose electrical power generation and desalting plant in Israel; to Foreign Affairs Committee. Remarks of author p. H16140
39. AGRICULTURAL ESTIMATES. H. R. 14251 by Rep. Scherle and others, to amend the act of March 4, 1909, as amended, to obtain information for agricultural estimates from county extension agents; to Agriculture Committee.
40. GRAIN INSPECTION. H. R. 14261 by Rep. Purcell, to provide for U. S. standards and a national inspection system for grain; to Agriculture Committee.



letters from Professor Fraser which called attention to the problem which has been created by the passage of the amendment to the Oklahoma constitution.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letters will be printed in the RECORD.

The bill (S. 2716) to amend Federal laws relating to the State of Oklahoma, introduced by Mr. HARRIS, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 2716

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 23 of the Act of April 26, 1906 (34 Stat. 145), is amended by deleting "or a judge of a county court of the State of Oklahoma" and inserting in lieu thereof "or a judge of a district court of the State of Oklahoma".

SEC. 2. The Act of May 27, 1908 (35 Stat. 312), is amended by adding at the end thereof the following new section:

"SEC. 15. Wherever the term 'probate court' is used in this Act, such term shall mean the proper district court of the State of Oklahoma."

SEC. 3. (a) Section 7 of the Act of April 18, 1912 (37 Stat. 86), is amended by deleting "county court of Osage County, State of Oklahoma" and inserting in lieu thereof "district court of the State of Oklahoma having jurisdiction over the district within which is located Osage County".

(b) The Act of April 18, 1912 (37 Stat. 86), is further amended by adding at the end thereof the following new section:

"SEC. 12. Wherever the term 'county court' is used in this Act, such term shall mean the proper district court of the State of Oklahoma."

SEC. 4. (a) The first section of the Act of August 4, 1947 (61 Stat. 731), is amended (1) by deleting "county court of the county in Oklahoma in which the land is situated; (b) that petition for approval of conveyance shall be set for hearing not less than ten days from date of filing, and notice of hearing thereon, signed by the county judge" and inserting in lieu thereof "district court of the State of Oklahoma of the district in which the land is situated; (b) that petition for approval of conveyance shall be set for hearing not less than ten days from date of filing, and notice of hearing thereon, signed by the district judge"; and (2) by deleting "(e) that the probate attorney shall have the right to appeal from any order approving conveyances to the district court of the county in which the proceedings are conducted within the time and in the manner provided by the laws of the State of Oklahoma in cases of appeal in probate matters generally, except that no appeal bond shall be required;".

(b) Section 9 of the Act of August 4, 1947, is amended by deleting "county court in Oklahoma" and inserting in lieu thereof "district court of Oklahoma".

SEC. 5. (a) Subsection (b) of section 2 of the Act of August 11, 1955 (69 Stat. 666), is amended by deleting "county court" and inserting in lieu thereof "district court of the State of Oklahoma".

(b) Subsection (c) of section 2 of the Act of August 11, 1955 (69 Stat. 666), is amended by deleting "county court for the county in which he, or she, resides for an order removing restrictions. If the Secretary issues an order removing restrictions without application therefor in accordance with the provisions of subsection (b) of this section, either the Indian affected or the board of county commissioners may apply to the county court for the county in which the

Indian resides for an order setting aside such order." and inserting in lieu thereof "district court of the State of Oklahoma for the district in which he, or she, resides for an order removing restrictions. If the Secretary issues an order removing restrictions without application therefor in accordance with the provisions of subsection (b) of this section, either the Indian affected or the board of county commissioners may apply to the district court for the district in which the Indian resides for an order setting aside such order."

SEC. 6. Whenever the term "county court" is used in any statute of the United States relating to the State of Oklahoma, such term, so far as it is applicable to the State of Oklahoma, shall be considered to mean a district court of the State of Oklahoma.

SEC. 7. The provisions of this Act shall take effect as of January 13, 1969.

The letters, presented by Mr. HARRIS, are as follows:

THE UNIVERSITY OF OKLAHOMA,  
Norman, Okla., October 23, 1967.

Hon. FRED R. HARRIS,  
U.S. Senate,  
Washington, D.C.

DEAR FRED: On July 11, 1967, the Oklahoma voters approved a Constitutional amendment that abolished all trial courts except District Courts on January 13, 1969, and the District Courts are given original jurisdiction of all justiciable matters, including probate matters at that time. See § 7(a) of the enclosed article.

County courts will be abolished and actions pending therein will be transferred to the District Court, § 7(b), (c) and (d).

In some statutes that relate to Indian matters, such as the Act of 1908, reference is made to "the probate courts of the State of Oklahoma." Oklahoma did not have a court named a Probate Court. Therefore, the Supreme Court held that the reference was to the court that exercised probate jurisdiction. *Harris v. Bell*, 254 U.S. 103, 41 S. Ct. 49, 52 (1920).

Some later statutes, however, specifically refer to the County Court. E.g., Act of August 4, 1947, §§ 1, 9 (61 Stat. 731). Since there is a specific reference to a court which will be abolished, many attorneys believe that these later acts should be amended.

It could be urged that Congress meant the court with probate jurisdiction when it referred to the County Courts of Oklahoma. However, it should not be necessary to litigate this issue if litigation can be avoided by legislation.

A copy of the new judicial article is enclosed.

Respectfully yours,  
GEORGE B. FRASER,  
Boyd Professor of Law.

THE UNIVERSITY OF OKLAHOMA,  
Norman, Okla., October 5, 1967.

Hon. FRED R. HARRIS,  
Washington, D.C.

DEAR SENATOR HARRIS: As you know, the Oklahoma voters have approved a Constitutional amendment that abolishes all state courts except district courts, effective January 13, 1969. Specifically, county courts are abolished.

In numerous federal statutes relating to Indians, reference is made to county courts. A brief list includes:

Act of May 27, 1908, § 8 (35 Stat. 312).  
Act of April 12, 1926, § 1 (44 Stat. at L. 239).

Act of January 27, 1933, § 8 (47 Stat. 777).  
Act of August 4, 1947, §§ 1, 9 (61 Stat. 731).  
Act of August 11, 1955, § 2(c), Chap. 786, P.L. 348.

These provisions, and there may be others, need to be amended. I assume that the appropriate legislation should be drafted in Washington, but if necessary, I will draft a bill. I am presently drafting bills for the

Legislative Council to implement the Constitutional amendments.

If you desire, I can have a more formal request for Congressional action made. Also, I assume that the whole Oklahoma delegation should jointly introduce the needed legislation. We can contact each of them if this would be appropriate.

Respectfully yours,  
GEORGE B. FRASER,  
Boyd Professor of Law.

THE UNIVERSITY OF OKLAHOMA,  
Norman, Okla., November 20, 1967.

Hon. FRED R. HARRIS,  
U.S. Senate,  
Washington, D.C.

DEAR FRED: The draft bill that was prepared by the Senate Legislative Counsel is sufficient. No additions or deletions are needed.

Thank you for taking care of this matter so promptly.

Respectfully yours,  
GEORGE B. FRASER,

Mr. HARRIS. Mr. President, I hope that the Senate will be able to act with the necessary speed so that references to courts soon to be abolished may be removed from Federal statutes.

#### PROVISION OF A MORE EFFECTIVE CROP INSURANCE PROGRAM FOR FARMERS

Mr. SPARKMAN. Mr. President, last Friday I introduced a bill to amend the Consolidated Farmers Home Administration Act of 1961. The purpose of that bill was to provide some relief to farmers generally who suffer crop losses as a result of a natural disaster. I was prompted to introduce my bill by the terrible plight of the cotton farmers in the northern half of my State, and those in other States of the Southeast, whose crops have been virtually totally destroyed by a hard freeze several weeks ago.

My bill would make available to farmers adequate long-term credit for the purpose of paying off their creditors and continuing to function as an operating farm.

Mr. President, for myself and for Senator HILL, Senator TALMADGE, Senator JORDAN of North Carolina, and Senator HOLLINGS, I introduce now for appropriate reference a bill which hopefully will result in some long-range solution to the problems faced by farmers who suffer crop losses. Mr. President, the bill I now introduce calls for a study by the Department of Agriculture which may provide a long-range solution to the problem of crop losses. My bill authorizes and directs the Secretary of Agriculture to undertake a study of the Federal crop insurance program in an effort to identify ways in which crop insurance can be provided for farmers at rates that they can afford to pay. The farmers of my State tell me that crop insurance is simply too expensive.

It is my feeling that a thorough evaluation and study of our existing program of crop insurance may very well turn up ways in which it can be improved and made more economical. I am told that in Canada the central government shares a part of the cost of crop insurance. This would, of course, be an expensive undertaking for our Government. However, the study called for in my bill may reveal that such a program would be less expensive than the existing pro-



grains that provide aid to the farmer after the loss of his crop.

In any event, I hope that my bill will receive early action, and that this much-needed study can be undertaken as soon as possible.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2717) directing the Secretary of Agriculture to make a study and investigation of ways and means to provide a more effective crop insurance program for farmers introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

#### CHANGE OF CONFeree

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senator from Washington [Mr. MAGNUSON] be appointed a conferee on the part of the Senate on House Joint Resolution 888, making continuing appropriations for the fiscal year 1968, and for other purposes, and I also request that the name of the Senator from Louisiana [Mr. ELLENDER] be removed as a conferee on this joint resolution in view of the fact that he is out of the country on official business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967—AMENDMENTS

##### AMENDMENT NO. 485

Mr. DIRKSEN submitted an amendment, intended to be proposed by him, to the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes, which was ordered to lie on the table and to be printed.

##### AMENDMENT NO. 486

Mr. GRIFFIN submitted an amendment, intended to be proposed by him, to the amendment of the Senator from Illinois [Mr. DIRKSEN], amendment No. 485 to House bill 7819, *supra*, which was ordered to lie on the table and to be printed.

##### AMENDMENT NO. 487

Mr. HARTKE submitted amendments, intended to be proposed by him, to House bill 7819, *supra*, which were ordered to lie on the table and to be printed.

#### ADDITIONAL COSPONSORS OF BILLS

Mr. METCALF. Mr. President, I ask unanimous consent that, at its next

printing, the name of the Senator from Wisconsin [Mr. NELSON] be added as a cosponsor of the bill (S. 2613) to amend the Internal Revenue Code of 1954 to provide that farming losses incurred by persons who are not bona fide farmers may not be used to offset nonfarm income.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Mississippi [Mr. STENNIS] be added as a cosponsor of my bill (S. 2714) to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such act to farmers who have suffered severe production losses as the result of a national disaster.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### NOTICE OF HEARING ON NOMINATION OF CLYDE O. MARTZ, OF COLORADO, TO BE ASSISTANT ATTORNEY GENERAL

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, December 7, 1967, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Clyde O. Martz, of Colorado, to be Assistant Attorney General, vice Harold Barefoot Sanders, Jr., resigned.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

#### RESCUE OPERATIONS IN VIETNAM

Mr. YOUNG of North Dakota. Mr. President, I rise today to speak on a matter of great interest and grave concern to the Nation—the plight of our fighting men captured in Vietnam. I realize little can be done to prevent the capture of some, but it seems we should be able to do more to save our Air Force and Navy fliers shot down by the enemy.

We have all read articles and seen pictures of these fine young men being paraded by their captors. I am sure people from the entire Nation are voicing the same concern that I hear daily from the citizens of North Dakota: "Why can't we rescue more of these valiant young men?"

Because this question has been posed to me so often recently, some of my staff and I have begun to look into the matter. We are continuing to probe in greater depth, but the subject is so compelling that I want to share our early findings with you immediately.

We find that our rescue crews do an absolutely remarkable job with the equipment they have at hand. If human, or superhuman, effort could spell the difference between rescue and capture, most of our downed airmen would be saved. But such is not the case. We find

that only some one-fourth of them are rescued.

Upon learning this, we searched further. If our men fall outside regions such as Hanoi and our rescue teams can pick them up within 15 to 20 minutes, they are usually brought out safely. If it takes much longer, and it usually does, then it is a different story. The enemy will then reach our man first and capture him, or at least get close enough to the scene to drive away our rescue helicopters with heavy ground fire. So, the key to success is to get there in a hurry.

Why cannot our crews get there soon enough? Last week the Chief of the Air Force Air Rescue Service presented a briefing to some Members of the House and showed a film on the rescue operation in Vietnam. I was not present, but I understand it was very good and pointed up the high ability of our fighting men. I intend to ask for the same briefing in the near future, as part of my probe into this subject.

As I understand it, the presentation showed a masterpiece of planning, coordination, and split-second timing by our rescue teams. It also showed, I am told, an amazing array of complicated machines to do the job—not merely the rescue helicopters.

The helicopter, of course, holds center stage. It is the only thing we have in Vietnam that will go straight up and down or hover overhead to rescue our airmen. The helicopter is sent forward early in the day in case it is needed. There it waits for a rescue call while other airplanes fly above it for protection. When a call comes, the helicopter goes at top speed—from about 140 to 160 miles per hour—to the rescue scene. The protective airplanes go with it, and tankers stand by in case the helicopter needs more fuel. Other tankers also stand by to refuel the jet airplanes waiting in the area trying to protect the downed airmen until the helicopter arrives. The helicopter cannot fly fast enough, unfortunately, to refuel from the same tanker used by the jets. While this is going on, a control ship is circling the area to coordinate the operation. All is well if the rescue scene is within 25 or 30 miles. Again, unfortunately, it is usually much farther, and our rescue team cannot do their job in the necessary 15 to 20 minutes. Our downed airman is lost and all of our best efforts, risking many lives, were wasted.

The problem sounds bad enough as it is, but it would be much worse if Vietnam were not the arena and the targets were even farther away. Obviously, it seems what is needed is something that will go much faster and much farther than the helicopter. We need something that can leave with the combat airplanes and be overhead within minutes if an airman is shot down. Obviously, we need a machine with the speed of an airplane that can also land or hover at the scene.

We all know that we have voted substantial money for several years to develop aircraft such as are needed. We all know these as V/STOL airplanes. We also all know that several of our allied countries are looking seriously at the problem as well. These countries include England, Germany, France, Italy, and Canada. In











# INDEX of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued December 8, 1967  
For actions of December 7, 1967  
90th-1st; No. 200

### CONTENTS

Adjournment.....24	Farm loans.....8	Postal rates.....13,23
Appropriations.....1,11	Farm program.....26	Poverty.....12,23
Commodity reserves.....27	Food.....30	Reclamation.....7
Continuing	Foreign aid	Rural development.....16
appropriation.....11,23	appropriations.....1	Social security.....23
Crop insurance.....4,8	Foreign trade.....6	Spending.....18
Cropland adjustment.....3	Forestry.....31	Supplemental
Dairy industry.....9	Legislative program.....23	appropriation.....23
Disaster loans.....28	Life insurance.....14	Taxation.....5,29
Economy.....5,18,19	National Grange.....21	Water resources.....17
Education.....2	Opinion poll.....18,25	Wheat.....4,15
Farm income.....22	Pay increase.....13	Wheat allotments.....15
Farm labor.....20	Personnel.....10,13	Wilderness.....14

HIGHLIGHTS: House received conference reports on continuing appropriation resolution, poverty bill, and pay increase bill. Senate passed foreign aid appropriation bill. Conferees agreed to report San Rafael Wilderness bill. Sen. Monroney and Reps. Purcell and Kleppe introduced, and Sen. Monroney and Rep. Kleppe discussed, commodity reserve bills.

### SENATE

1. FOREIGN AID APPROPRIATIONS. Passed, 56-22, with amendments H. R. 13893, the foreign aid appropriation bill. Senate conferees were appointed. pp. S18115-31
2. EDUCATION. Continued debate on H. R. 7819, the elementary and secondary education bill. pp. S18059, S18062-3, S18065-73, S18095-105, S18143-4, S18146-59



3. CROPLAND ADJUSTMENT. Concurred in the House amendment to S. 2126, to permit a producer to place a farm in the cropland adjustment program if it was acquired to replace an eligible farm from which he was displaced by any agency having the right of eminent domain. This bill will now be sent to the President. p. S18063
4. CROP INSURANCE. Sen. Carlson commended the payments to wheat producers under the crop insurance program. p. S18050
5. ECONOMIC SITUATION. Sen. Proxmire criticized the "inflationary policies" of the Federal Reserve Board, recommended against a tax increase, said the President's recent speech on wage-price restraint may be very significant, etc. pp. S18050-4, S18141
6. FOREIGN TRADE. Sen. Young, Ohio, spoke against import quota legislation. p. S18054  
Sen. Symington inserted and discussed an article, "Germans Say Faith in Dollar Is Tied to Payments Balance." pp. S18057-9
7. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 51, to authorize the Merlin division, Rogue River Basin project, Oreg. (S. Rept. 905). p. S18131
8. FARM LOANS; CROP INSURANCE. At Sen. Sparkman's request, Sen. McClellan was made a cosponsor of S. 2714, to authorize disaster loans to farmers, and S. 2717, to study the crop insurance program. p. S18134
9. DAIRY INDUSTRY. Sen. McGovern inserted the National Milk Producers Federation's proposed dairy program. pp. S18136-9
10. PERSONNEL. Concurred in the House amendments to S. 1785, to improve certain benefits for Foreign Service employees in high-risk situations. This bill will now be sent to the President. p. S18144

HOUSE

11. APPROPRIATIONS. Received the conference report on H. J. Res. 888, to continue appropriations for 1968 (H. Rept. 1011) (pp. H16458-60). The conferees reported that they were in technical disagreement on the Senate amendments. However, the House conferees stated that they would offer substitute amendments agreed upon by the conferees as follows: First, to continue until Dec. 20 appropriations for agencies whose regular appropriation bills have not yet been enacted. Second, to make general reductions in obligations and expenditures, as follows:  
The substitute to be offered would impose limitations on, and thus reduce, fiscal 1966 budgeted obligations by not less than \$9,000,000,000 which in turn would result in reducing fiscal 1968 budgeted expenditures by not less than \$4,000,000,000.  
These amounts are inclusive of the effect of Congressional actions to date in the 13 appropriation bills that have been enacted--actions that have resulted in reductions in appropriation requests of about \$4.6 billion with a consequent fiscal 1968 expenditure reduction effect of about \$1.5 billion; it now looks like the total appropriation bill actions, including the two bills still pending, may come close to \$6,000,000,000 in appropriation reductions and close to \$2,000,000,000 in fiscal 1968 expenditure reductions.



The substitute as agreed upon in conference would establish a mandatory reduction in the obligations of each civilian department and agency of the Executive Branch in fiscal 1968 by an amount equal to 2 percent of obligations estimated in the budget for personnel compensation and benefits, plus an amount equal to 10 percent of estimated budget obligations for other controllable items. Where Congress has reduced the appropriations of a department or agency by more than the amounts specified in the 2% plus 10% formula, the more restrictive Congressional action would prevail.

The substitute as agreed upon in conference is specific as to amounts of reductions to be made at the department or agency level. The allocation of the reductions within the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President. Personnel reductions are not absolutely mandatory, although undoubtedly in many cases reductions will be made in civilian compensation costs. Departments and agencies may choose to cut other expenses an amount equal to 2 percent of personal services estimates and maintain personnel levels. Of course, no individual employee's salary will be reduced by the operation of this title.

12. POVERTY. Received the conference report on S. 2388, the poverty bill (H. Rept. 1012). pp. H16505-32
13. POSTAL RATES; PAY INCREASE. Received the conference report on H. R. 7977, to increase postal rates and salaries of Federal employees (H. Rept. 1013) (pp. H16532-48). The bill would increase salaries of Federal employees effective Oct. 1, 1967, increase postal rates effective Jan. 7, 1968, increase life insurance benefits for Federal employees, and establish a Presidential commission on salaries.
14. WILDERNESS. The conferees agreed to file a report on S. 889, the San Rafael Wilderness bill. The Daily Digest states that "the House would accept the Senate version of the bill." p. D1108
15. WHEAT ALLOTMENTS. The Agriculture Committee ordered reported (but did not actually report) S. 1722, to provide for adjustment of wheat allotments in counties where wheat is the principal grain crop and where allotments are low in relation to cropland because farmers shifted prior to 1951 from wheat to an alternative crop or crops which have proved unprofitable because of plant disease or sustained loss of markets and there is no alternative income-producing crop. p. D1107
16. RURAL DEVELOPMENT. Rep. Blanton inserted a speech by Secretary Freeman on revitalizing rural America by reversing the migration from the farm to the city. pp. H16496-8  
Rep. Randall inserted a speech by Sen. Pearson urging increased rural development programs. pp. H16475-6
17. WATER RESOURCES. Rep. Waldie urged improved use of water resources in Calif. pp. H16460-1
18. ECONOMY; SPENDING. Rep. Nelsen inserted the results of a Minn. opinion poll which favored a cut in Federal spending. p. H16482



19. ECONOMY; TAXATION. Rep. Multer inserted an article in favor of the proposed tax increase. p. H16490
20. FARM LABOR. Rep. Nelsen inserted an editorial critical of the Labor Department order relating to farm youth employment. p. H16483
21. NATIONAL GRANGE. Rep. Boland congratulated the National Grange on the celebration of its 100th anniversary. pp. H16493-4
22. FARM INCOME. Rep. Hamilton urged improved programs to increase farm income. pp. H16501-3
23. LEGISLATIVE PROGRAM. Rep. Albert announced the legislative program for next week which includes the following: Mon., conference report on H. J. Res. 888, to continue appropriations; H. R. 7977, postal rate and Federal salary increases; and S. 2388, the poverty bill. Tues. and balance of week; the supplemental appropriation bill; and conference report on H. R. 12080, the social security bill. pp. H16457-8
24. ADJOURNED until Mon., Dec. 11. p. H16549

#### ITEMS IN APPENDIX

25. OPINION POLL. Rep. Griffiths inserted the results of an opinion poll including items of interest to this Department. pp. A6038-9
26. FARM PROGRAM. Rep. Gathings inserted an article, "The Farmer: A Vital Member of our Society." pp. A6040-1

#### BILLS INTRODUCED

27. COMMODITY RESERVES. S. 2743 by Sen. Monroney and H. R. 14329 by Rep. Purcell, to provide for the establishment and maintenance of reserve stocks of agricultural commodities by producers and the Commodity Credit Corporation for national security, public protection, meeting international commitments; to Agriculture and Forestry Committee. Remarks of Sen. Monroney, pp. S18049-50  
H. R. 14337 by Rep. Kleppe, to establish producer owned and controlled emergency reserves of wheat, feed grains, and soybeans; to Agriculture Committee.
28. DISASTER LOANS. H. R. 14339 by Rep. Nichols and others and H. R. 14342 by Rep. Whitten, to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such act to farmers who have suffered severe production losses as the result of a national disaster; to Agriculture Committee.
29. TAXATION. H. R. 14340 by Rep. Talcott, to provide for the establishment of a Commission on Revision of Federal Taxation; to Ways and Means Committee.
30. FOOD. S. 2749 by Sen. Eastland, to amend the Food, Drug, and Cosmetic Act to include a definition of "food supplement,"; to Labor and Public Welfare Committee.
31. FORESTRY. S. 2751 by Sen. Hatfield, to designate the Mount Jefferson Wilderness, Willamette Deschutes, and Mt. Hood National Forest, in the State of Oregon; to Interior and Insular Affairs Committee.



## CONTINUING APPROPRIATIONS, FISCAL YEAR 1968

---

DECEMBER 7, 1967.—Ordered to be printed

---

Mr. MAHON, from the committee of conference, submitted the following

### CONFERENCE REPORT

[To accompany H.J. Res. 888]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes, having met, after full and free conference, have been unable to agree.

GEORGE MAHON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
JOHN J. ROONEY,  
EDWARD P. BOLAND,  
WILLIAM H. NATCHER,  
*Managers on the Part of the House.*

CARL HAYDEN,  
LISTER HILL,  
WARREN G. MAGNUSON,  
SPESSARD L. HOLLAND,  
JOHN O. PASTORE,  
MILTON R. YOUNG,  
KARL E. MUNDT,  
MARGARET CHASE SMITH,  
*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 888), making continuing appropriations for the fiscal year 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments, namely:

### CONTINUING RESOLUTION EXPIRATION DATE

Amendment No. 1: Reported in technical disagreement. The dates mentioned in amendment No. 1 to House Joint Resolution 888 having passed, and Public Law 90-162, of November 28, 1967, having already extended the expiration date to December 2, 1967, the conferees have agreed on the date of December 20, 1967, and the managers on the part of the House will offer a motion to insert that date. It is hoped that Congress will have adjourned sine die before December 20, but the later date would provide a few extra days that could avoid a hiatus in obligating authority for the Government programs and agencies operating under the interim authority.

### TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion incorporating a set of economy reduction provisions agreed upon by the conferees in the form of a substitute for the several economy provisions contained in the House version, all of which were stricken by the Senate. The substitute to be offered would impose limitations on, and thus reduce, fiscal 1968 budgeted *obligations* by not less than \$9,000,000,000 which in turn would result in reducing fiscal 1968 budgeted *expenditures* by not less than \$4,000,000,000.

These amounts are inclusive of the effect of congressional actions to date in the 13 appropriation bills that have been enacted—actions that have resulted in reductions in appropriation requests of about \$4.6 billion with a consequent fiscal 1968 expenditure reduction effect of about \$1.5 billion; it now looks like the *total* appropriation bill actions, including the two bills still pending, may come close to \$6,000,000,000 in appropriation reductions and close to \$2,000,000,000 in fiscal 1968 expenditure reductions.

### BACKGROUND OF THE MOTION TO BE OFFERED

While Congress throughout the year has recognized the need to effect economies and reduce Federal spending wherever it seemed reasonably possible to do so in actions on appropriation bills, and



while considerable success has been attained as evidenced by the prospective appropriation reductions of close to \$6,000,000,000 for fiscal 1968, the fact is that current estimates of the size of the Federal budget deficit, recent upheavals in international monetary circles, continuing inflationary pressures, and increasing pressure on the dollar throughout the world, make it imperative that still further reductions in Federal outlays be made. The fiscal outlook for 1968 is now vastly different than it was when the 1968 budget came last January—a deficit in excess of perhaps \$20 billion in contrast to the original projection of \$8.1 billion.

It has become increasingly necessary in recent years to enact continuing resolutions in the latter months of each session of Congress to make funds available for departments and agencies for which appropriation bills have not been passed by the beginning of the new fiscal year on July 1. Lack of more timely annual authorization for appropriations for many of these has been a major factor in these delays. Continuing resolutions for October and subsequent periods became the vehicle this year for various reduction proposals and expenditure limitations.

It will be recalled that two continuing resolutions (H.J. Res. 652 and H.J. Res. 804) making interim appropriations for July–August, and for September, for agencies of government for which regular 1968 appropriation bills had not been enacted were processed through Congress without event.

*On September 27*, however, by a record vote of 202 yeas to 181 nays, the House recommitted (without specific instructions) the October continuing resolution (H.J. Res. 849, H. Rept. 708). This recommittal action was a manifestation of desire in the House for further economies beyond the multi-billion dollar reductions already made—and in prospect—in the 15 appropriation bills.

*On October 3*, the House adopted House Joint Resolution 853 (H. Rept. 724) which provided for the extension of the continuing resolution expiration date to October 10 in lieu of October 31. *On October 4*, the Senate adopted House Joint Resolution 853, amended to extend the date through October 23, and on the same day the House agreed to the Senate amendment and the resolution was enacted into law.

*On October 16*, the Committee on Appropriations of the House, after considerable study of possible courses of action in response to the desires manifested by the House in recommitting the earlier resolution on September 27, reported House Joint Resolution 888 (H. Rept. 785) which proposed to extend the date another 30 days—to November 23. It also included language—

To temporarily curtail (for 30 days) the incurring of obligations for new construction, research, demonstration, training, service, and similar activities not directly related to the military effort in Southeast Asia.

To reduce by 5 percent the funds for civilian personnel, and require that all amounts withheld pursuant to the above requirements be rescinded.

To reduce by 10 percent the funds for research and development, accompanied by rescission language.

To so adjust program obligation schedules as to permit complete absorption of the civilian pay increase that the House had recently voted.

It was estimated to reduce budgeted expenditures by about \$1.5 billion, or something in that area, in fiscal 1968, *in addition* to the estimated fiscal 1968 expenditure reduction approaching \$2 billion as a result of actions in the 15 appropriation bills enacted or to be enacted for 1968.

On October 18, by record vote of 239 to 164, the House substituted for the committee propositions (except for the date of November 23) an amendment intended to hold *expenditures—by each department and agency*—to the 1967 level (with a number of major exceptions). Appended to the amendment was an overall ceiling of \$131.5 billion on net administrative budget expenditures for fiscal 1968 except for those relating to our military effort in Southeast Asia. Also, a temporary obligation rate of not to exceed \$2 billion for the foreign assistance program was added, as was a \$1.2 billion temporary obligation rate for the antipoverty program.

The best calculations available indicate that under the provisions of the resolution as passed by the House, fiscal 1968 budgeted expenditures would be reduced by roughly \$7 billion, gross, against which would be offset the 1968 expenditure value—estimated at close to \$2 billion—that would result from appropriation bill reduction actions made or expected to be made. Thus the net additional spending reduction that would have resulted was calculated at approximately \$5 billion. This was not a rescission of funds, but rather to some degree a postponement or deferral through limitations on department and agency spending during fiscal 1968.

On October 20, the Senate Committee on Appropriations reported House Joint Resolution 888, trimming the expiration date back to November 15 (amendment No. 1), and striking all of the House provisions relating to reduced expenditures, the expenditure ceiling, and temporary obligation rates. On October 25, the Senate passed House Joint Resolution 888 as reported, by record vote 59 to 26, after rejecting various floor amendments.

The conferees on House Joint Resolution 888 have met a total of six times since late October. Due to the extremely complex and controversial nature of broad reduction propositions, and in view of the fact that it is closely related to the administration's pending tax surcharge proposals, the conferees have experienced great difficulty in arriving at a final compromise. The managers on the part of the House were committed to further expenditure reductions. The Senate conferees were governed somewhat by the rejection of such limitations during Senate consideration. The position of both sets of conferees was fully supported by strong votes by their respective bodies.

#### THE OBLIGATION AND EXPENDITURE MOTION TO BE OFFERED

The conference agreement to be submitted in a motion to be offered in the House is estimated to result in an expenditure reduction of approximately \$4.1 billion below the President's budget request for fiscal 1968 by reducing budgeted obligations in that fiscal year by not less than \$9 billion. These are reductions from the budget amounts, and thus include—in the case of the \$9 billion—the 1968 obligations that will be reduced by reason of the expected cuts by Congress of close to \$6 billion in new appropriation requests. And the \$4.1 billion expenditure reduction figure would also thus include the effect of



congressional appropriation reductions—of about \$1.5 billion to date and perhaps \$1.9 to \$2.0 billion when the two appropriation bills still pending are cleared. Of course, the expenditure savings not realized in fiscal 1968 from the close to \$6 billion cut would be realized in subsequent fiscal years.

For the most part, the specific substitute language agreed upon by the conferees is that language which was submitted by the administration on November 29 as title II of the proposed Tax Surcharge and Expenditure Reduction Act legislation. Certain perfecting amendments were agreed to in conference, but the basic thrust of the administration's proposal has been maintained.

The substitute as agreed upon in conference would establish a mandatory reduction in the obligations of each civilian department and agency of the executive branch in fiscal 1968 by an amount equal to 2 percent of obligations estimated in the budget for personnel compensation and benefits, plus an amount equal to 10 percent of estimated budget obligations for other controllable items. Where Congress has reduced the appropriations of a department or agency by more than the amounts specified in the 2-plus-10-percent formula, the more restrictive congressional action would prevail.

The substitute as agreed upon in conference is specific as to amounts of reductions to be made at the department or agency level. The allocation of the reductions *within* the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President. Personnel reductions are not absolutely mandatory, although undoubtedly in many cases reductions will be made in civilian compensation costs. Departments and agencies may choose to cut other expenses an amount equal to 2 percent of personal services estimates and maintain personnel levels. Of course, no individual employee's salary will be reduced by the operation of this title.

Under the substitute agreed upon by the conferees, budgeted obligations of the Department of Defense will be reduced by an amount equal to 10 percent of the new obligational authority for non-Vietnam purposes. It is anticipated that funds realized by the resultant defense savings and postponements will be utilized to cover added expenditures expected to be needed during the fiscal year 1968 for the war in Vietnam. Further, the substitute provides that the President may exempt from the operation of this title *any* obligations for national defense which he deems to be essential for the purposes of national defense.

As is generally true in all such broadly based proposals, it is necessary to make some exceptions to the general rule, and to introduce some discretionary administrative flexibility, so as to prevent unintended harmful consequences in some instances. Accordingly, the substitute language agreed upon provides that the reduction provisions shall not apply to—

- (1) Permanent appropriations (such as interest);
- (2) Trust funds (social security, etc.);
- (3) Items included in the budget as "relatively uncontrollable" including, among others—
  - (a) Veterans pensions, compensation, and insurance,
  - (b) Public assistance grants,
  - (c) Farm price supports,
  - (d) Postal public service costs and revenue deficit,

- (e) Health insurance payments to trust funds,
- (f) The legislative and judiciary branches,
- (g) Interest (largely public debt); and

4. Programs, projects or purposes, the sum total of which may not exceed \$300 million, which the President may exempt upon his determination that such exemption is vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

The substitute language of the resolution agreed upon further provides that, to the maximum extent practical, reductions in obligations for personnel shall be accomplished by not filling vacancies, and that reductions in obligations for construction be accomplished, insofar as practical, by stretching out time schedules of starting new projects and performing on contracts so as not to preclude new construction starts.

It is the sense of the conferees that, insofar as practical, reductions made under this title shall be applied in such manner as to maintain the level of operation of any program in fiscal year 1968 at not less than that maintained in the fiscal year 1967, except where otherwise provided in the 1968 appropriation bills or other acts of Congress.

The conferees fully realize that large reductions in obligations and expenditures cannot be accomplished without denying funds for purposes considered by many to be praiseworthy. Nevertheless, fiscal deficits of the magnitude currently anticipated are recognized to hold some danger for the Nation's economic well-being, and therefore are unacceptable. The executive branch has urged that the Congress join in a program of fiscal restraint.

There are those who would prefer deeper cuts. There are those who would prefer smaller cuts. There may be those who would prefer no further cuts. It is generally believed, however, that the reductions which would be accomplished by the plan worked out by the conferees and proposed herewith is a proper and workable compromise.

#### TEXT OF SUBSTITUTE MOTION TO BE OFFERED

The full text of the substitute motion agreed upon by the conferees and to be offered in the motion follows:

#### TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than \$9,000,000,000 and \$4,000,000,000, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

SEC. 202. (a) During the fiscal year 1968 no department or agency of the executive branch of the Government shall incur obligations in excess of the lesser of—

(1) the aggregate amount available to each such department or agency as obligational authority in the fiscal year 1968 through appropriation Acts or other laws, or

(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

(i) 2 per centum of the amount included in such estimate for personnel compensation and benefits, plus

(ii) 10 per centum of the amount included in such estimate for objects other than personnel compensation and benefits.



(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document Numbered 16, Ninetieth Congress, first session), as amended during the first session of the Ninetieth Congress.

SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations; (2) trust funds; (3) items included under the heading "relatively uncontrollable" in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document Numbered 15, part 1, Ninetieth Congress, first session), and other items required by law in the fiscal year 1968; or (4) programs, projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 per centum of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Document Numbered 15, part 1, and House Document Numbered 16), as amended during the first session of the Ninetieth Congress: *Provided*, That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a)(2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

SEC. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a)(2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the Ninetieth Congress.

GEORGE MAHON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
JOHN J. ROONEY,  
EDWARD P. BOLAND,  
WILLIAM H. NATCHER,  
*Managers on the Part of the House.*

○





# House of Representatives

THURSDAY, DECEMBER 7, 1967

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. ALBERT).

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*The people who walked in darkness have seen a great light.*—Isaiah 9: 2.

O God, most mighty and merciful, we come to Thee for insight and inspiration which Thou alone canst give to the human mind and heart. In this moment of prayer do Thou plant our feet on the higher ground of Thy spirit that we may find deliverance from thoughts that weaken us, from desires that worry us, and from a selfishness that closes the door to the needs of others.

Thou who didst cause light to shine out of darkness, shine Thou upon our way, that we may see the road we should take, and by Thy spirit be given strength to walk on it—fulfilling Thy will for us and for our Nation. Send us out into this day with the assurance that Thou art with us and by Thy grace may we be made adequate for every activity, equal to every experience, and more than a match for every mood.

Kindle in the hearts of our people a love for justice, an enthusiasm for good will and a joy in living that our Nation may turn from the low road of poverty and prejudice and take the high road that leads to the plains of peace and prosperity for all. In the Master's name we pray. Amen.

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,  
U.S. HOUSE OF REPRESENTATIVES,  
Washington, D.C., December 7, 1967.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

JOHN W. MCCORMACK,  
Speaker of the House of Representatives.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Bradley, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2399. An act to amend section 2 of Public Law 88-240 to extend the termination date for the Corregidor-Bataan Memorial Commission;

H.R. 5910. An act to declare that the United

States holds certain lands in trust for the Pawnee Indian Tribe of Oklahoma;

H.R. 10964. An act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program, and for other purposes; and

H.R. 11638. An act to amend title II of the act of September 19, 1918, relating to industrial safety in the District of Columbia.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2247. An act to amend the Merchant Marine Act, 1936, to increase the Federal ship mortgage insurance available in the case of certain oceangoing tugs and barges.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12144) entitled "An act to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6167) entitled "An act to authorize the extension of certain naval vessel loans now in existence and a new loan, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mrs. SMITH, and Mr. THURMOND to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 286. An act to provide that the cost of certain investigations by the Bureau of Reclamation shall be nonreimbursable;

S. 1017. An act to authorize the Secretary of the Army to pay for the cost of surfacing 1½ miles of a certain access road in Putnam County, Fla.;

S. 1058. An act to authorize the Secretary of the Interior to sell lands embraced in certain terminated entries, and for other purposes;

S. 1059. An act to amend the act relating to the leasing of lands in Alaska for grazing in order to make certain improvements in such act; and

S. 2402. An act to provide for credit to the Kings River Water Association and others for excess payments for the years 1954 and 1955.

## CORRECTION OF THE RECORD

Mr. ASPINALL. Mr. Speaker, on page H16328 of the CONGRESSIONAL RECORD of December 6, 1967, the first paragraph of

my explanation of H.R. 12121 appears as follows:

Mr. Speaker, as you know, the House passed H.R. 12121 on August 21, 1967. This bill extends the life of the Public Land Law Review Commission by 1½ years or until December 31, 1969. It also increases the amount authorized to be appropriated to finance the Commission by \$3,390,000. The amendment is germane to the original legislation.

The second sentence of that paragraph is not accurately printed and should read:

This bill extends the life of the Public Land Law Review Commission by 1½ years or until December 31, 1970, rather than the present termination date of June 30, 1969.

I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

## LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I have taken this time for the purpose of asking the distinguished majority leader the program for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished gentleman, the minority leader, as announced yesterday, we have no legislative program today. So far as we have it, the program for next week is as follows:

Monday we expect to have four conference reports:

House Joint Resolution 888, continuing appropriations, fiscal year 1968; S. 2388, Economic Opportunity Amendments of 1967;

H.R. 7977, Postal Revenue and Federal Salary Act of 1967; and

H.R. 13510, Uniformed Services Pay Act of 1967.

Monday is District Day and there are three District bills:

H.R. 8581, to increase the price for reports of the U.S. Court of Appeals for District of Columbia Circuit;

H.R. 10337, to amend the District of Columbia Minimum Wage Act; and

H.R. 14330, to provide a program for the prevention and treatment of alcoholism in the District of Columbia.

For Tuesday and the balance of the week:

H.R. —, supplemental appropriation bill, fiscal year 1968.



And the following conference reports:  
H.R. 12080, Social Security Amendments of 1967;

H.R. 4765, tax treatment under Bank Holding Company Act of 1956;

H.R. 6167, to extend certain naval vessel loans; and

H.R. 10595, to prohibit sale of lotteries in banks.

Also, we expect to have the following resolutions from the Committee on House Administration:

House Resolution 959, to provide additional funds to Committee on Banking and Currency,

House Resolution 975, to provide additional funds to Committee on Banking and Currency; and

House Resolution 995, to increase the compensation of the expert transcribers to official reporters.

Bills and conference reports may not necessarily be called up in the order listed. Additional conference reports may be brought up at any time. Any further program will be announced later.

#### PERMISSION FOR COMMITTEE ON THE DISTRICT OF COLUMBIA TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE CERTAIN REPORTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight, December 8, to file certain reports.

The SPEAKER pro tempore (Mr. NATCHER). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### PERMISSION TO FILE CONFERENCE REPORT ON HOUSE RESOLUTION 888, CONTINUING APPROPRIATIONS, 1968, UNTIL MIDNIGHT TONIGHT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on House Resolution 888, making continuing appropriations for the fiscal year 1968, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### CONFERENCE REPORT (H. REPT. No. 1011)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 888) "making continuing appropriations for the fiscal year 1968, and for other purposes," having met, after full and free conference, have been unable to agree.

GEORGE MAHON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
JOHN J. ROONEY,  
EDWARD P. BOLAND,  
WILLIAM H. NATCHER,

*Managers on the Part of the House.*

CARL HAYDEN,  
LISTER HILL,  
WARREN G. MAGNUSON,  
SPESSARD L. HOLLAND,  
JOHN O. PASTORE,  
MILTON R. YOUNG,  
KARL E. MUNDT,  
MARGARET CHASE SMITH,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 888), making continuing appropriations for the fiscal year 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments, namely:

##### CONTINUING RESOLUTION EXPIRATION DATE

Amendment No. 1.—Reported in technical disagreement. The dates mentioned in Amendment No. 1 to H.J. Res. 888 having passed, and Public Law 90-162, of November 28, 1967 having already extended the expiration date to December 2, 1967, the conferees have agreed on the date of December 20, 1967, and the managers on the part of the House will offer a motion to insert that date. It is hoped that Congress will have adjourned sine die before December 20, but the later date would provide a few extra days that could avoid a hiatus in obligating authority for the government programs and agencies operating under the interim authority.

##### TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

Amendment No. 2.—Reported in technical disagreement. The Managers on the part of the House will offer a motion incorporating a set of economy reduction provisions agreed upon by the conferees in the form of a substitute for the several economy provisions contained in the House version, all of which were stricken by the Senate. The substitute to be offered would impose limitations on, and thus reduce, fiscal 1966 budgeted obligations by not less than \$9,000,000,000 which in turn would result in reducing fiscal 1968 budgeted expenditures by not less than \$4,000,000,000.

These amounts are inclusive of the effect of Congressional actions to date in the 13 appropriation bills that have been enacted—actions that have resulted in reductions in appropriation requests of about \$4.6 billion with a consequent fiscal 1968 expenditure reduction effect of about \$1.5 billion; it now looks like the total appropriation bill actions, including the two bills still pending, may come close to \$6,000,000,000 in appropriation reductions and close to \$2,000,000,000 in fiscal 1968 expenditure reductions.

##### Background of the motion to be offered

While Congress throughout the year has recognized the need to effect economies and reduce Federal spending wherever it seemed reasonably possible to do so in actions on appropriation bills, and while considerable success has been attained as evidenced by the prospective appropriation reductions of close to \$6,000,000,000 for fiscal 1968, the fact is that current estimates of the size of the Federal budget deficit, recent upheavals in international monetary circles, continuing inflationary pressures, and increasing pressure on the dollar throughout the world, make it imperative that still further reductions in Federal outlays be made. The fiscal outlook for 1968 is now vastly different than it was when the 1968 budget came last January—a deficit in excess of perhaps \$20 billion in contrast to the original projection of \$8.1 billion.

It has become increasingly necessary in recent years to enact continuing resolutions in the latter months of each session of Congress to make funds available for departments and agencies for which appropriation bills have not been passed by the beginning of the new fiscal year on July 1. Lack of more timely annual authorization for appropriations for many of these has been a major factor in these delays. Continuing resolutions for October and subsequent periods became the vehicle this year for various reduction proposals and expenditure limitations.

It will be recalled that two continuing resolutions (H.J. Res. 652 and H.J. Res. 804)

making interim appropriations for July-August, and for September, for agencies of government for which regular 1968 appropriation bills had not been enacted were processed through Congress without event.

On September 27, however, by a record vote of 202 yeas to 181 nays, the House recommitted (without specific instructions) the October continuing resolution (H.J. Res. 849, H. Rept. 708). This recommittal action was a manifestation of desire in the House for further economies beyond the multi-billion dollar reductions already made, and in prospect, in the 15 appropriation bills.

On October 3, the House adopted H. J. Res. 853 (H. Rept. 724) which provided for the extension of the continuing resolution expiration date to October 10 in lieu of October 31. On October 4, the Senate adopted H.J. Res. 853, amended to extend the date through October 23, and on the same day the House agreed to the Senate amendment and the resolution was enacted into law.

On October 16, the Committee on Appropriations of the House, after considerable study of possible courses of action in response to the desires manifested by the House in recommitting the earlier resolution on September 27, reported H.J. Res. 888 (H. Rept. 785) which proposed to extend the date another 30 days—to November 23. It also included language—

To temporarily curtail (for 30 days) the incurring of obligations for new construction, research, demonstration, training, service, and similar activities not directly related to the military effort in Southeast Asia;

To reduce by 5 percent the funds for civilian personnel, and require that all amounts withheld pursuant to the above requirements be rescinded;

To reduce by 10 percent the funds for research and development, accompanied by rescission language; and

To so adjust program obligation schedules as to permit complete absorption of the civilian pay increase that the House had recently voted.

It was estimated to reduce budgeted expenditures by about \$1.5 billion, or something in that area, in fiscal 1968, in addition to the estimated fiscal 1968 expenditure reduction approaching \$2 billion as a result of actions in the 15 appropriation bills enacted or to be enacted for 1968.

On October 18, by record vote of 239 to 164, the House substituted for the committee propositions (except for the date of November 23) an amendment intended to hold expenditures—by each department and agency—to the 1967 level (with a number of major exceptions). Appended to the amendment was an overall ceiling of \$131.5 billion on net administrative budget expenditures for fiscal 1968 except for those relating to our military effort in Southeast Asia. Also, a temporary obligation rate of not to exceed \$2 billion for the foreign assistance program was added, as was a \$1.2 billion temporary obligation rate for the anti-poverty program.

The best calculations available indicate that under the provisions of the resolution as passed by the House, fiscal 1968 budgeted expenditures would be reduced by roughly \$7 billion, gross, against which would be offset the 1968 expenditure value—estimated at close to \$2 billion—that would result from appropriation bill reduction actions made or expected to be made. Thus the net additional spending reduction that would have resulted was calculated at approximately \$5 billion. This was not a rescission of funds, but rather to some degree a postponement or deferral through limitations on department and agency spending during fiscal 1968.

On October 20, the Senate Committee on Appropriations reported H.J. Res. 888, trimming the expiration date back to November 15 (Amendment No. 1), and striking all of the House provisions relating to reduced expenditures, the expenditure ceiling, and temporary obligation rates. On October 25, the



Senate passed H.J. Res. 888 as reported, by record vote 59 to 26, after rejecting various floor amendments.

The conferees on H.J. Res. 888 have met a total of six times since late October. Due to the extremely complex and controversial nature of broad reduction propositions, and in view of the fact that it is closely related to the Administration's pending tax surcharge proposal, the conferees have experienced great difficulty in arriving at a final compromise. The Managers on the part of the House were committed to further expenditure reductions. The Senate conferees were governed somewhat by the rejection of such limitations during Senate consideration. The position of both sets of conferees was fully supported by strong votes by their respective bodies.

*The obligation and expenditure motion to be offered*

The conference agreement to be submitted in a motion to be offered in the House is estimated to result in an expenditure reduction of approximately \$4.1 billion below the President's Budget request for fiscal 1968 by reducing budgeted obligations in that fiscal year by not less than \$9 billion. These are reductions from the budget amounts, and thus include—in the case of the \$9 billion—the 1968 obligations that will be reduced by reason of the expected cuts by Congress of close to \$6 billion in new appropriation requests. And the \$4.1 billion expenditure reduction figure would also thus include the effect of Congressional appropriation reductions—of about \$1.5 billion to date and perhaps \$1.9 to \$2.0 billion when the two appropriation bills still pending are cleared. Of course, the expenditure savings not realized in fiscal 1968 from the close to \$6 billion cut would be realized in subsequent fiscal years.

For the most part, the specific substitute language agreed upon by the conferees is that language which was submitted by the Administration on November 29th as title II of the proposed "Tax Surcharge and Expenditure Reduction Act" legislation. Certain perfecting amendments were agreed to in conference, but the basic thrust of the Administration's proposal has been maintained.

The substitute as agreed upon in conference would establish a mandatory reduction in the obligations of each civilian department and agency of the Executive Branch in fiscal 1968 by an amount equal to 2 percent of obligations estimated in the budget for personnel compensation and benefits, plus an amount equal to 10 percent of estimated budget obligations for other controllable items. Where Congress has reduced the appropriations of a department or agency by more than the amounts specified in the 2% plus 10% formula, the more restrictive Congressional action would prevail.

The substitute as agreed upon in conference is specific as to amounts of reductions to be made at the department or agency level. The allocation of the reductions within the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President. Personnel reductions are not absolutely mandatory, although undoubtedly in many cases reductions will be made in civilian compensation costs. Departments and agencies may choose to cut other expenses an amount equal to 2 percent of personal services estimates and maintain personnel levels. Of course, no individual employee's salary will be reduced by the operation of this title.

Under the substitute agreed upon by the conferees, budgeted obligations of the Department of Defense will be reduced by an amount equal to 10 percent of the new obligational authority for non-Vietnam purposes. It is anticipated that funds realized by the resultant defense savings and post-

ponements will be utilized to cover added expenditures expected to be needed during the fiscal year 1968 for the war in Vietnam. Further, the substitute provides that the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

As is generally true in all such broadly based proposals, it is necessary to make some exceptions to the general rule, and to introduce some discretionary administrative flexibility, so as to prevent unintended harmful consequences in some instances. Accordingly, the substitute language agreed upon provides that the reduction provisions shall not apply to:

1. Permanent appropriations (such as interest);
2. Trust funds (social security, etc.);
3. Items included in the budget as "relatively uncontrollable" including, among others:
  - a. Veterans pensions, compensation, and insurance.
  - b. Public assistance grants.
  - c. Farm price supports.
  - d. Postal public service costs and revenue deficit.
  - e. Health insurance payments to trust funds.
  - f. The Legislative and Judiciary Branches.
  - g. Interest (largely public debt).
4. Programs, projects or purposes, the sum total of which may not exceed \$300 million, which the President may exempt upon his determination that such exemption is vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefore by Congress.

The substitute language of the resolution agreed upon further provides that, to the maximum extent practical, reductions in obligations for personnel shall be accomplished by not filling vacancies, and that reductions in obligations for construction be accomplished, insofar as practical, by stretching out time schedules of starting new projects and performing on contracts so as not to preclude new construction starts.

It is the sense of the conferees that, insofar as practical, reductions made under this title shall be applied in such manner as to maintain the level of operation of any program in fiscal year 1968 at not less than that maintained in the fiscal year 1967, except where otherwise provided in the 1968 appropriation bills or other Acts of Congress.

The conferees fully realize that large reductions in obligations and expenditures cannot be accomplished without denying funds for purposes considered by many to be praiseworthy. Nevertheless, fiscal deficits of the magnitude currently anticipated are recognized to hold some danger for the nation's economic well-being, and therefore are unacceptable. The Executive Branch has urged that the Congress join in a program of fiscal restraint.

There are those who would prefer deeper cuts. There are those who would prefer smaller cuts. There may be those who would prefer no further cuts. It is generally believed, however, that the reductions which would be accomplished by the plan worked out by the conferees and proposed herewith is a proper and workable compromise.

*Text of substitute motion to be offered*

The full text of the substitute motion agreed upon by the conferees and to be offered in the motion follows:

**"TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES**

**"SEC. 201.** In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable

programs for the fiscal year 1968 should be reduced by no less than \$9 billion and \$4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

**"SEC. 202. (a)** During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

"(1) the aggregate amount available to each such department or agency as obligational authority in the fiscal year 1968 through appropriation acts or other laws, or

"(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

"(i) 2 percent of the amount included in such estimate for personnel compensation and benefits, plus

"(1) 2 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

"(b) As used in this section, the terms 'obligational authority' and 'budget estimate of obligations' include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

"(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document No. 16, 90th Congress, 1st Session), as amended during the first session of the 90th Congress.

**"SEC. 203. (a)** This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading 'relatively uncontrollable' in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefore by Congress.

"(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided*, That the President may exempt from the operation of this Title any obligations for national defense which he deems to be essential for the purposes of national defense.

**"SEC. 204.** In the administration of any program as to which (1) the amount of obligations is limited by section 202(a) (2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

**"SEC. 205.** To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts. Nothing in this title shall have the effect of reducing the level of operation of any program



in fiscal year 1968 below the fiscal year 1967 operating level, except where so provided in the 1968 appropriations bills or other acts of Congress.

"Sec. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a)(2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress."

GEORGE MAHON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
JOHN J. ROONEY,  
EDWARD P. BOLAND,  
WILLIAM H. NATCHER,

*Managers on the Part of the House.*

## THE UNITED NATIONS AND VIETNAM

(Mr. ZABLOCKI asked and was given permission to address the House for 1 minute.)

Mr. ZABLOCKI. Mr. Speaker, I have introduced a resolution calling on the President to once again exert every effort at having the Vietnam war considered by the United Nations Security Council.

This resolution is identical to one which received unanimous approval in the other body last week. It simply expresses the sense of the House of Representatives that the President of the United States consider taking the appropriate initiative through his representatives at the United Nations to assure that some action on the Vietnam conflict be brought before the Security Council for consideration.

The resolution does not offer a panacea. No one aware of present world realities could imagine that Security Council consideration of Vietnam will mean immediate cessation of hostilities in that war-torn country.

Nor is the resolution meant as implicit criticism of present administration policies. I am convinced that our national leaders are earnestly seeking all avenues to a solution in Vietnam.

It is my belief, however, that congressional approval of this proposal and its implementation by the administration through the U.S. representative in the United Nations would have a number of good effects.

First, it would demonstrate our Nation's continuing desire for peace in Vietnam.

The very fact that our Nation is willing to take the question before that international body, despite the opportunities for abuse which it gives our antagonists there, is vivid proof of the sincerity of our purpose.

You will recall, Mr. Speaker, that the United States in February of 1966 asked the Security Council to take up the Vietnam issue. It did so—but only after a close vote.

Then, we seemed to back off the question and no really meaningful discussion ever resulted.

While it is true that the majority of the Security Council are not eager to discuss Vietnam—and that any resolution acceptable to the United States may be vetoed by the U.S.S.R. or France—nevertheless we must continue to press the issue to demonstrate our never-end-

ing search for a peaceful solution in Vietnam.

Second, the United Nations has dealt with every major world crisis since World War II with one exception—the war in Vietnam.

Because of this unwillingness to take responsibility, the United Nations has lost much of its authority and prestige in the eyes of the peoples of the world.

This is a dangerous trend. Despite its obvious shortcomings, the United Nations remains a hope for a peaceful world.

By considering the Vietnam question in an effective and meaningful way, the United Nations could go a long way toward restoring the reputation which now is declining.

Finally, I believe that the resolution and appropriate action by the administration could result in progress in solving the Vietnam issue.

Security Council consideration of Vietnam might do much to clarify the various positions of those both directly and indirectly involved in the conflict.

By bringing all interested parties together for face-to-face discussion of the issues, perhaps avenues of agreement might be found—avenues which might ultimately lead to a peaceful solution of the conflict.

Even minimal agreement among the members of the Security Council could be helpful. Hopefully it might be determined that the Geneva conference should be reconvened to handle the issue—or some other, new international conference should be held to seek a solution.

In other words, if substantive agreement is out of the question in the Security Council, then perhaps some procedural agreement is possible.

Such possibilities and opportunities are envisaged in this resolution, Mr. Speaker.

It is my hope that the House can take up the measure in the immediate future—before adjournment—in order that House expression would serve as a further incentive for action in the current session of the Security Council of the United Nations.

## THE HIDDEN PERILS IN OUR CALIFORNIA WATER PLAN—ARE WE BUILDING A WATER MONSTER?

(Mr. WALDIE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. WALDIE. Mr. Speaker, the area I represent in California has long been concerned relative to real and potential threats to our water supply. We depend on the great Sacramento-San Joaquin Rivers Delta to provide fresh water for our farms, homes, and industries. In recent years, that supply has been threatened by encroachment of others in our great State who are in need of water. Despite our efforts to fend off those who would deplete this limited source of water, we still face a variety of threats from a variety of sources to this irreplaceable resource.

Recently, Mr. Speaker, the "California Living" supplement to the great San

Francisco Sunday Examiner & Chronicle, published a summary of this problem, and I believe it worthy to call to the Members' attention.

Particularly, Mr. Speaker, do I concur in that portion of the article that suggests two proposed Federal projects, the peripheral canal and the San Luis drain, pose severe and perhaps, insurmountable threats to the well-being of the area I represent.

Under leave to extend my remarks in the RECORD, I include the following article from the "California Living" supplement to the San Francisco Sunday Examiner & Chronicle:

### THE HIDDEN PERILS IN OUR WATER PLAN

(By Jim Quint)

Sitting astride the Feather River above Oroville, the world's highest earth-filled dam at last is impounding the river's flow for one of the most ambitious water projects in the history of man. It will gather the rampant floodwaters which every year have poured wastefully into the sea, and carry them—via an enormous system of aqueducts, pumps, tunnels and reservoirs—to the water-hungry southern part of the state.

And at Tracy, a big new pumping station is ready to gush its first streams southward, first to San Joaquin Valley farmlands and then onward to the metropolitan Los Angeles area where countless more housing tracts will spring up out of what is now barren desert.

True, the giant is beset with financial difficulties. The \$1.75 billion bond issue barely passed by the voters in 1960 has proved to be not enough; the state must find additional millions to meet a production schedule which promised the first water deliveries to some areas in 1968.

But there is little doubt the work will go on.

Not all the world will rejoice when it does, however. Especially not that part of the world around the vast, fertile Sacramento-San Joaquin River Delta, the eastern freshwater arm of San Francisco Bay from which the flows will be diverted.

For it has become alarmingly apparent that, unless steps are taken to prevent it, this great project will irreparably degrade the Delta, intolerably pollute San Francisco Bay, and destroy the great striped bass and salmon fishery.

To understand the picture, it is necessary to know the program of State Water Project development:

**First Phase**—Water from the Oroville and Shasta dam complexes will be released via the Sacramento River into the Delta which will act as a transit reservoir. The fresh water will pass through the Delta channels and be pumped out at Tracy into the big California Aqueduct.

**Second Phase**—The Peripheral Canal, so-called because it will skirt the eastern edge of the Delta when it is completed in the mid-1970s, will intercept the Sacramento River flow at Hood and carry it directly to the Tracy pumping station. When this phase is accomplished, almost no fresh water will enter the Delta from the Sacramento River system, including the Oroville and Shasta reservoirs, except that which is released by the engineers at certain points along the Peripheral Canal.

Other than these controlled releases, about the only source of non-ocean water for the Delta and the Bay will be the San Joaquin River, which already is heavily polluted with agriculture drainage and will become even more polluted as irrigation is extended as a result of the State Water Project.

**Third Phase**—The State and the U.S. Bureau of Reclamation plan to build jointly a master drain to carry agricultural wastes from along the San Joaquin Valley, as far









# DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
FOR INFORMATION ONLY;  
(NOT TO BE QUOTED OR CITED)

Issued December 12, 1967  
For actions of December 11, 1967  
90th-1st; No. 202

## CONTENTS

acreage allotments...13,14	Forestry.....4	Price supports.....13,14
appropriations.....1,39	Grain reserves.....35	RC&D projects.....6
beef.....22	Housing.....31	Recreation.....6
census.....27,32	Information.....30	Research.....25
cooperatives.....20	Lands.....13	Rural poverty.....24
copper imports.....9	Loans.....11,34	Social security.....5,23
cotton.....13	Marketing orders.....6,7	Statistics.....30
disaster relief.....34	Meat inspection.....12,21	Taxation.....26
economy.....26,41	Mink imports.....36	Telephone loans.....11
education.....8,15	Natural resources.....37	Wage-price guidelines...17
fisheries.....28	Pay raise.....2	Water pollution.....16,29
food prices.....10	Peanuts.....14	Watersheds.....40
foot and mouth disease..38	Pears.....6	Wheat.....6
foreign aid.....1	Postal rates.....2	Wildlife.....6,33
foreign trade...9,18,36,38	Poverty.....3,19	

HIGHLIGHTS: House agreed to conference versions of continuing appropriations measure, pay-raise and postal-rates bill, and poverty bill. House received conference report on San Rafael Wilderness bill. House committee reported bills to authorize marketing orders on pears, expand RC&D projects cost-sharing, and adjust wheat allotments. Senate passed bills to authorize transfer of peanut acreage allotments and to provide one-price program for extra-long-staple cotton. Rep. Berry submitted and discussed measure urging embargo on meat imports from countries with foot-and-mouth disease.

## HOUSE

1. APPROPRIATIONS. By a 366-26 vote, agreed to the conference version of H. J. Res. 888, the continuing appropriations measure (see Digest 200 for provisions). pp. H16572-85

The Daily Digest says the House will consider the supplemental appropriation bill today, Dec. 12. p. D1115

House conferees were appointed on H. R. 13893, the foreign aid appropriation bill. Senate conferees have been appointed. p. H16556

2. PAY RAISE; POSTAL RATES. By a 327-63 vote, agreed to the conference version of H. R. 7977, the pay-raise and postal-rates bill. pp. H16585-617
  3. POVERTY. By a 247-149 vote, agreed to the conference report on S. 2388, the poverty bill. This bill will now be sent to the President. pp. H16558-72, H16619, H16632, H16639-40
  4. FORESTRY. Received the conference report on S. 889, to designate the San Rafael Wilderness, Los Padres National Forest, Calif. (H. Rept. 1029). p. H16618  
Rep. Cohegan inserted and discussed an article criticizing the Georgia-Pacific Co. for continuing to cut redwoods that are being considered for a national park. p. H16670
  5. SOCIAL SECURITY. Received the conference report on H. R. 12080, the social security bill (H. Rept. 1030) (pp. H16684-705). Rep. Albert said this bill is to be considered Dec. 13 (p. H16556).
  6. PEARS; RC&D PROJECTS; WHEAT. The Agriculture Committee reported with amendment H. R. 10564, to authorize marketing orders for pears (H. Rept. 1019), and S. 852, to authorize cost sharing for recreation and fish-wildlife in Resource Development and Conservation projects (H. Rept. 1020). p. H16707  
The Agriculture Committee reported without amendment S. 1722, to provide for adjustment of wheat allotments in counties where wheat is the principal grain crop and where allotments are low in relation to cropland because farmers shifted prior to 1951 from wheat to an alternative crop or crops which have proved unprofitable because of plant disease or sustained loss of markets (H. Rept. 1021). p. H16707
  7. MARKETING ORDERS. Rep. McFall commended the marketing orders program. p. H16654
  8. EDUCATION. Conferees were appointed on H. R. 7819, the elementary and secondary education bill. Senate conferees have not been appointed. pp. H16617-8
  9. COPPER IMPORTS. Rep. Olsen objected to the present level of copper imports. pp. H16631-2
  10. FOOD PRICES. Rep. Zwach inserted an article stating that use of the supply-demand theory decreases the amount of food available. p. H16634
  11. TELEPHONE LOANS. Rep. Nelsen objected to REA loans to large telephone companies. pp. H16640-1
  12. MEAT INSPECTION. Rep. Smith; Iowa, inserted and discussed a statement of practices followed by some meat companies. pp. H16677-8
- SENATE
13. COTTON; LANDS. Passed as reported H. R. 10864, to authorize the Secretary of Agriculture to convey certain lands in Saline Co., Ark., to the Dierks Forests, Inc. Sen. Jordan, N. C., explained the committee amendments as follows: "... first, provide price-support loan for extra-long-staple cotton at 1½ to 2 times the support loan level for upland cotton, but in no event less than 35 cents per pound. As in the case of upland cotton, payments would be made to producers to bring the total support from 65 to 90 percent of parity. Price support



For example, it is impossible to calculate the full impact of the Head Start Program. Not only does the child who is enrolled receive a "Head Start" on life, but his parents, brothers and sisters also benefit. This is true because of the Head Start emphasis on proper nutrition, health and dental care, and the importance of education.

The United States Jaycees this year began a program to inform the 6000 Jaycee chapters in the United States about the opportunities for them to participate in OEO programs in their communities. I can think of no more fitting project for Jaycee chapters than to become involved in the aims and objectives of the OEO.

Such an alliance would be a very natural thing for two organizations whose objectives are strikingly similar.

Jaycees have become known as an organization devoted to "Leadership Training through Community Development," and the Office of Economic Opportunity has been given the responsibility of opening avenues of personal development and agencies for community action that will enable those in poverty to pull themselves up to a respectable standard of living.

Like the Jaycees, OEO has recognized that a single agency cannot eliminate all the ignorance, disease, blight, and other handicaps that have condemned nearly thirty million Americans to an existence in poverty. It is because of this realization that the Office of Economic Opportunity tries to enlist the assistance of not only the Jaycees and similar volunteer groups, but also of business, industry, labor, the professions, educational institutions, the church, and every other available resource.

The concept of private enterprise as an integral part of the OEO planning is widely accepted. In a recent letter to me, Walter L. Cisler, Chairman of the Board of Detroit Edison Company, expressed his satisfaction with OEO accomplishments and his faith in its ideals. Mr. Cisler wrote:

"It has been my valued privilege to have served for the past two years as Chairman of the Business Leadership Advisory Council for the Office of Economic Opportunity. This group of key executives of many leading corporations from all segments of the United States consults with and advises the Director of the Office of Economic Opportunity, Sargent Shriver, and participates actively in the planning and evaluation of the programs of that office.

"As business and community leaders deeply concerned with the causes and effects of poverty in our society and as citizens who have been privileged to assist those directly responsible for the work of OEO, we know full well of the many problems which must be faced and overcome if meaningful progress is to be made. I and other members of the Council have personally visited and seen firsthand the work of many of the organizations and establishments associated with the endeavors of the Office of Economic Opportunity."

"The recommendations made to the Congress by the Administration redefine and strengthen those areas of the War on Poverty which experience has proven most effective. It merits your full support and I commend it to you most highly."

Howard S. Greenen, Chairman and President of International Telephone and Telegraph, had this to say in 1965 about business involvement in OEO planning:

"Now some of you may wonder why a major, profit-making corporation like IT&T wants to join the War on Poverty. The answer is threefold:

(1) We, in industry, owe it to our society to use our resources to cure a social ill that has been with us too long.

(2) We, in industry, must maintain for ourselves and the Nation, a trained labor force.

(3) We, in industry, have the capital, the manpower, the skills, the technology and the desire to get a job done."

Through direct and indirect contracts, voluntary services of talent and time, and donations of cash and equipment for individual projects, private enterprise has become an important part of the War on Poverty.

The Office of Economic Opportunity has been successful in attracting the assistance of private initiative because it has developed programs that are a departure from the accepted systems of welfare in this country. Rather than merely trying to maintain the poor in their impoverished state, OEO is trying to provide the less fortunate with the motivation and the personal resources to pull themselves out of poverty.

Community services by Jaycee and anti-poverty groups has the same objective—to do whatever the local situation demands for civic improvement.

According to the Jaycee Community Development concept, local clubs are encouraged to survey local needs and then to act in those matters that demand attention. OEO Director Sargent Shriver said in a recent press interview about the Community Action aspects of the poverty program:

"We don't try to tell each community what programs they should have. The problems vary from place to place. These are basic issues to be determined at the local level."

It is obvious that a Jaycee-OEO alliance should be an effective one and certainly a productive one for America's poor. In several Southeastern States, local Jaycees are already at work on such vital anti-poverty programs as job placement, slum clearance and housing. I am sure that these "young men of action" find great satisfaction in such meaningful endeavor.

The energy and enthusiasm that the more than 10,000 Michigan Jaycees could bring to anti-poverty programs in this state would be a tremendous boost for those who, because of their surrounding and other handicaps, are not sharing in our nation's prosperity. In addition, involvement in the human development and community action projects of the Office of Economic Opportunity would enable a Jaycee chapter to truly carry out the organization's belief that "Service to Humanity Is the Best Work of Life."

Mr. DONOHUE. Mr. Speaker, although this conference report on the economic opportunity amendments authorization bill measure of 1967 does not contain all that everyone would like, it does represent a responsible conference agreement on most of the basic issues involved and I most earnestly urge and hope that the House will overwhelmingly accept it in the particular interest of the underprivileged in this country and the general interest of all the American people.

When we realize that just a few weeks ago there was much serious discussion about the possibility of practically doing away with the Office of Economic Opportunity and distributing its antipoverty functions among several long-established agencies of the executive department then we, I think, can better appreciate the progress of understanding, to benefit the poor, that has been reached by this agreement to continue the Office of Economic Opportunity intact for another 2 years with fiscal authorization not too greatly below the original recommendations of the administration. Of course even these authorizations are less than many of us believe are necessary to do the complete job but they are reasonably acceptable for the continuation of this

truly justifiable war on poverty in this country.

I would express the further hope, today, that when the actual appropriations bill is brought before us that the sentiment of this House will be overwhelmingly registered in support of the full authorized appropriation. Certainly there is no question, from authoritative evidence and testimony that has been given to us throughout this continuing discussion on this measure, that our Nation cannot longer afford the dehumanizing effects of poverty upon our national morale and its tremendous economic drain upon government treasuries at all levels. Let us, therefore, approve this conference report authorization without delay and let us hopefully look forward to approving the full actual authorized appropriation in the near future.

Mr. FRASER. Mr. Speaker, in terms of the tales of woe we were hearing in Congress only a few weeks ago, the passage of the Economic Opportunity Amendments of 1967 would represent a major victory.

Remarkably, the bill authorizes nearly the amount the administration requested. The money itself, of course, must come from a further bill which will be acted on later this week.

I would strongly urge the Appropriations Committee and the Members of this House to support legislation to maintain important antipoverty programs at the level we are about to authorize.

The war on poverty would be strengthened by several provisions in the bill on which we are voting today. It would specifically authorize a day care program for the children of working mothers. It would coordinate all the work and training programs. And it would continue the antipoverty program for 2 years, so that we would not have to go through this ritual next year.

Mr. PERKINS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 247, nays 149, not voting 36, as follows:

[Roll No. 429]

YEAS—247

Adair	Battin	Brown, Mich.
Adams	Biester	Burke, Mass.
Addabbo	Bingham	Burton, Calif.
Albert	Blanton	Burton, Utah
Anderson, Ill.	Blatnik	Button
Anderson,	Boggs	Byrne, Pa.
Tenn.	Boland	Capell
Ashley	Brademas	Cahill
Aspinall	Brasco	Carey
Ayres	Brooks	Casey
Baring	Brotzman	Celler
Barrett	Brown, Calif.	Clark



Cleveland  
Cohelan  
Conable  
Conte  
Conyers  
Corbett  
Corman  
Culver  
Cunningham  
Daddario  
Daniels  
Dawson  
de la Garza  
Delaney  
Dellenback  
Dent  
Diggs  
Dingell  
Donohue  
Dorn  
Dow  
Dulski  
Dwyer  
Eckhardt  
Edmondson  
Edwards, Calif.  
Edwards, La.  
Eilberg  
Esch  
Evans, Colo.  
Evins, Tenn.  
Fallon  
Farbstein  
Fascell  
Feighan  
Flood  
Foley  
Ford  
William D.  
Fraser  
Friedel  
Fulton, Pa.  
Fulton, Tenn.  
Galifianakis  
Gallagher  
Garmatz  
Giaino  
Gibbons  
Gilbert  
Gonzalez  
Gray  
Green, Oreg.  
Green, Pa.  
Griffiths  
Grover  
Gude  
Halpern  
Hamilton  
Hanley  
Hanna  
Hansen, Wash.  
Harvey  
Hathaway  
Hawkins  
Hays  
Hechler, W. Va.  
Helstoski  
Hicks  
Holifield  
Holland  
Horton  
Howard

Irwin  
Jacobs  
Joelson  
Johnson, Calif.  
Johnson, Pa.  
Jones, Ala.  
Karsten  
Karth  
Kastenmeier  
Kazen  
Kee  
Keith  
Kelly  
King, Calif.  
Kirwan  
Kluczyński  
Kupferman  
Kyros  
Landrum  
Leggett  
Lloyd  
Long, Md.  
McCarthy  
McDade  
McDonald,  
Mich.  
McFall  
Macdonald,  
Mass.  
MacGregor  
Machen  
Madden  
Mahon  
Matsunaga  
May  
Meeds  
Meskill  
Miller, Calif.  
Mills  
Minish  
Mink  
Monagan  
Moore  
Moorhead  
Morgan  
Morris, N. Mex.  
Morse, Mass.  
Morton  
Mosher  
Moss  
Multer  
Murphy, Ill.  
Murphy, N.Y.  
Natcher  
Nedzi  
Nix  
O'Hara, Ill.  
O'Hara, Mich.  
Olsen  
O'Neill, Mass.  
Ottinger  
Patman  
Patten  
Pelly  
Pepper  
Perkins  
Philbin  
Pickle  
Pike  
Pirnie  
Poage  
Pollock

Price, Ill.  
Pucinski  
Purcell  
Quie  
Rallsback  
Rees  
Reid, N.Y.  
Reuss  
Rhodes, Pa.  
Riegle  
Roberts  
Robison  
Rodino  
Rogers, Colo.  
Ronan  
Rooney, N.Y.  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Roth  
Roush  
Roybal  
Rumsfeld  
Ruppe  
Ryan  
St Germain  
Sandman  
Saylor  
Scheuer  
Schweiker  
Shipley  
Shriver  
Sisk  
Slack  
Smith, Iowa  
Smith, N.Y.  
Springer  
Stafford  
Staggers  
Stanton  
Steed  
Steiger, Wis.  
Stephens  
Stubblefield  
Sullivan  
Taft  
Tenzer  
Thompson, N.J.  
Tiernan  
Tunney  
Udall  
Ullman  
Van Deerlin  
Vanik  
Vigorito  
Waldie  
Walker  
Wampler  
Watts  
Whalen  
White  
Widnall  
Wilson,  
Charles H.  
Wolf  
Wright  
Wylder  
Wyman  
Yates  
Young  
Zablocki  
Zwack

## NAYS—149

Abbitt  
Abernethy  
Andrews, Ala.  
Andrews,  
N. Dak.  
Arends  
Ashbrook  
Ashmore  
Belcher  
Bennett  
Berry  
Betts  
Bevill  
Blackburn  
Bolton  
Bow  
Bray  
Brinkley  
Brock  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Buchanan  
Burke, Fla.  
Burlison  
Bush  
Byrnes, Wis.  
Cederberg  
Chamberlain  
Clancy

Clausen,  
Don H.  
Clawson, Del.  
Collier  
Colmer  
Cramer  
Curtis  
Davis, Ga.  
Davis, Wis.  
Dennney  
Derwinski  
Devine  
Dole  
Dowdy  
Downing  
Duncan  
Edwards, Ala.  
Eshleman  
Everett  
Findley  
Fisher  
Flynt  
Ford, Gerald R.  
Fuqua  
Gardner  
Gathings  
Gettys  
Goodell  
Goodling  
Gross

Gubser  
Gurney  
Hagan  
Haley  
Hall  
Hammer-  
schmidt  
Hansen, Idaho  
Hebert  
Hull  
Hungate  
Hunt  
Hutchinson  
Ichord  
Jarman  
Jonas  
Jones, Mo.  
Jones, N.C.  
Kleppe  
Kyl  
Laird  
Langen  
Latta  
Lennon  
Lipscott  
Long, La.  
McClary  
McClure  
McClulloch  
McMillan

Maillard  
Marsh  
Mathias, Calif.  
Mayne  
Michel  
Miller, Ohio  
Minshall  
Mize  
Montgomery  
Myers  
Nelsen  
O'Konski  
O'Neal, Ga.  
Passman  
Pettis  
Poff  
Pool  
Price, Tex.  
Pryor  
Quillen  
Randall

Rarick  
Reid, Ill.  
Reifel  
Reinecke  
Rhodes, Ariz.  
Rivers  
Rogers, Fla.  
Roudebush  
Satterfield  
Schadeberg  
Scherle  
Schneebell  
Schwengel  
Scott  
Sclden  
Sikes  
Skubitz  
Smith, Calif.  
Smith, Okla.  
Steiger, Ariz.  
Stuckey

## NOT VOTING—36

Annunzio  
Bates  
Bell  
Bolling  
Broomfield  
Carter  
Cowger  
Dickinson  
Erlenborn  
Fino  
Fountain  
Frelinghuysen

Halleck  
Hardy  
Harrison  
Harsha  
Heckler, Mass.  
Henderson  
Herlong  
Hosmer  
King, N.Y.  
Kornegay  
Kuykendall  
Lukens

McEwen  
Martin  
Mathias, Md.  
Nichols  
Resnick  
St. Onge  
Snyder  
Stratton  
Watson  
Willis  
Wilson, Bob  
Wyatt

So the conference report was agreed to.  
The Clerk announced the following pairs:

On this vote:  
Mr. St. Onge for, with Mr. Henderson against.  
Mr. Annunzio for, with Mr. Kornegay against.  
Mr. Stratton for, with Mr. Fountain against.  
Mr. Resnick for, with Mr. Nichols against.  
Mr. Hardy for, with Mr. Herlong against.  
Mr. King of New York for, with Mr. Martin against.  
Mr. Carter for, with Mr. Watson against.  
Mr. Broomfield for, with Mr. Fino against.  
Mr. Cowger for, with Mr. Kuykendall against.  
Mrs. Heckler of Massachusetts for, with Mr. Erlenborn against.  
Mr. Bell for, with Mr. Snyder against.  
Mr. Harrison for, with Mr. Dickinson against.  
Mr. Bates for, with Mr. Halleck against.  
Mr. Mathias of Maryland for, with Mr. Harsha against.  
Mr. Frelinghuysen for, with Mr. Bob Wilson against.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

CONTINUING APPROPRIATIONS,  
FISCAL YEAR 1968—CONFERENCE  
REPORT

Mr. MAHON. Mr. Speaker, I call up the conference report on the joint resolution (H.J. Res. 838) making continuing appropriations for the fiscal year 1968, and for other purposes.

The Clerk read the title of the joint resolution.

The Clerk read the conference report.

(For conference report and statement, see proceedings of the House of December 7, 1967.)

## AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: On page 1, lines 5 and 6, strike out "November 23, 1967," and insert "November 15, 1967."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "December 20, 1967."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 1, line 6, strike out all after "1967" over to, and including line 13 on page 3.

MOTION OFFERED BY MR. MAHON OF TEXAS

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

"TITLE II—REDUCTIONS IN OBLIGATIONS AND  
EXPENDITURES

"SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than \$9 billion and \$4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

"SEC. 202. (a) During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

"(1) the aggregate amount available to each such department or agency as obligatory authority in the fiscal year 1968 through appropriation acts or other laws, or

"(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

"(i) 2 percent of the amount included in such estimate for personal compensation and benefits, plus

"(ii) 10 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

"(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

"(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document No. 16, 90th Congress, 1st Session), as amended during the first session of the 90th Congress.

"SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading "relatively uncontrollable" in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs,



projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

"(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided*, That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

"Sec. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a) (2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

"Sec. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

"Sec. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a) (2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress."

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. MAHON. Mr. Speaker, House Joint Resolution 888, as Members know, is the continuing resolution which was approved by the House on October 18. As passed by the House on that date, the continuing resolution carried a number of economy provisions which provided for many sharp reductions in expenditures.

This proposal went to the other body, and the other body rejected all of the proposals in the continuing resolution of the House, including the date of effectiveness and also the economy reductions.

We went to conference, then, with the other body, and we met six times. We made no headway. We were deadlocked. The House conferees insisted on making sharp reductions in both obligational authority and expenditures. We could not come to an agreement with the other body.

Finally, last week we did achieve a meeting of the minds, and the amendment which has just been presented provides for certain economy actions approved by a majority of the conferees of both Houses.

I should point out to the Members of the House that Congress has already—

in 13 bills enacted—reduced appropriations by about \$4.6 billion. It is expected that on the supplemental bill—largely for antipoverty programs—and on the foreign aid bill, further reductions will be made in appropriations, which would bring the total for the year to something close to \$6 billion.

#### EFFECT OF ECONOMY PROVISIONS

Now, what does the proposal which is before us today do? We have yet to act in conference, of course, on the foreign aid appropriation bill and the antipoverty appropriations, so what does this do to the other programs?

It simply says that there shall be a reduction in obligations for each civilian department and agency of the Government equal to 2 percent of the amount included in the 1968 budget for that department or agency for personnel compensation and benefits, plus an amount equal to 10 percent of the budget request for all other controllable items. The sum of the two amounts—2 percent for personnel and 10 percent for all other items—is the reduction required of each agency. In the Defense Department, all items connected with the war in Vietnam are exempted and a reduction of 10 percent is made in total obligations for all other programs.

It is also provided that in any instance in which an agency has been cut by congressional actions by an amount in excess of the cut for that agency under the "2 percent plus 10 percent" formula, the congressional action governs and no further cut is imposed by the resolution.

These cuts would be assigned, as I said, to each agency and each department of the Government. We would not go into each appropriation item within a department or agency but we would assign these reductions to each department and to each Government agency.

Programs such as those for veterans, others of a like nature, interest on the debt, and so forth, many of which are considered as relatively uncontrollable, are necessarily excluded. But with a blanket approach such as this and in the closing days of the session, it was necessary to give some leeway to the Executive. So a provision is included, in the amendment to the resolution which has been read, which provides for exemptions which could be applied by the President to the extent of \$300 million throughout all of the agencies of the Government.

So it is felt that even with this reduction it should be possible for the Executive to administer the proposal without doing irreparable injury to any worthwhile measure or program. This measure would be equivalent to a further reduction in appropriations of very, roughly \$3 billion plus. This would bring to more than \$9 billion the reduction in the President's January budget, which is something that, insofar as I know, has not been achieved by the Congress for many, many years. So this would be more or less a landmark action by the Congress from the standpoint of reducing obligational authority.

#### EXPLANATION OF CONFERENCE ECONOMY PROPOSED

The statement of the managers on the part of the House contains a summary

of the provisions proposed. I will include that summary in the RECORD at this point:

The conference agreement to be submitted in a motion to be offered in the House is estimated to result in an expenditure reduction of approximately \$4.1 billion below the President's budget request for fiscal 1968 by reducing budgeted obligations in that fiscal year by not less than \$9 billion. These are reductions from the budget amounts, and thus include—in the case of the \$9 billion—the 1968 obligations that will be reduced by reason of the expected cuts by Congress of close to \$6 billion in new appropriation requests. And the \$4.1 billion expenditure reduction figure would also thus include the effect of congressional appropriation reductions—of about \$1.5 billion to date and perhaps \$1.9 to \$2.0 billion when the two appropriation bills still pending are cleared. Of course, the expenditure savings not realized in fiscal 1968 from the close to \$6 billion cut would be realized in subsequent fiscal years.

For the most part, the specific substitute language agreed upon by the conferees is that language which was submitted by the administration on November 29 as title II of the proposed Tax Surcharge and Expenditure Reduction Act legislation. Certain perfecting amendments were agreed to in conference, but the basic thrust of the administration's proposal has been maintained.

The substitute as agreed upon in conference would establish a mandatory reduction in the obligations of each civilian department and agency of the executive branch in fiscal 1968 by an amount equal to 2 percent of obligations estimated in the budget for personnel compensation and benefits, plus an amount equal to 10 percent of estimated budget obligations for other controllable items. Where Congress has reduced the appropriations of a department or agency by more than the amounts specified in the 2-plus-10-percent formula, the more restrictive congressional action would prevail.

The substitute as agreed upon in conference is specific as to amounts of reductions to be made at the department or agency level. The allocation of the reductions within the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President. Personnel reductions are not absolutely mandatory, although undoubtedly in many cases reductions will be made in civilian compensation costs. Departments and agencies may choose to cut other expenses an amount equal to 2 percent of personal services estimates and maintain personnel levels. Of course, no individual employee's salary will be reduced by the operation of this title.

Under the substitute agreed upon by the conferees, budgeted obligations of the Department of Defense will be reduced by an amount equal to 10 percent of the new obligational authority for non-Vietnam purposes. It is anticipated that funds realized by the resultant defense savings and postponements will be utilized to cover added expenditures expected to be needed during the fiscal year 1968 for the war in Vietnam. Further, the substitute provides that the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

As is generally true in all such broadly based proposals, it is necessary to make some exceptions to the general rule, and to introduce some discretionary administrative flexibility, so as to prevent unintended harmful consequences in some instances. Accordingly, the substitute language agreed upon provides that the reduction provisions shall not apply to—

(1) Permanent appropriations (such as interest);



(2) Trust funds (social security, etc.);  
(3) Items included in the budget as "relatively uncontrollable" including, among others—

(a) Veterans pensions, compensation, and insurance,  
(b) Public assistance grants,  
(c) Farm price supports,  
(d) Postal public service costs and revenue deficit,

(e) Health insurance payments to trust funds,  
(f) The legislative and judiciary branches,  
(g) Interest (largely public debt); and  
(4) Programs, projects or purposes, the sum total of which may not exceed \$300 million, which the President may exempt upon his determination that such exemption is vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

The substitute language of the resolution agreed upon further provides that, to the maximum extent practical, reductions in obligations for personnel shall be accomplished by not filling vacancies, and that reductions in obligations for construction be accomplished, insofar as practical, by stretching out time schedules of starting new projects and performing on contracts so as not to preclude new construction starts.

It is the sense of the conferees that, insofar as practical, reductions made under this title shall be applied in such manner as to maintain the level of operation of any program in fiscal year 1968 at not less than that maintained in the fiscal year 1967, except where otherwise provided in the 1968 appropriation bills or other acts of Congress.

A more detailed list of "uncontrollable accounts" as set forth on page 14 of the budget for 1968 follows:

#### "UNCONTROLLABLE" ACCOUNTS

Legislative Branch.  
The Judiciary.

#### FUNDS APPROPRIATED TO THE PRESIDENT

Disaster relief.  
Asian Development Bank.  
Investment in Inter-American Development Bank.  
Subscription to the International Development Association.

#### DEPARTMENT OF AGRICULTURE

Sugar Act program.  
Conservation reserve program.

Commodity Credit Corporation: Reimbursement for net realized losses; military housing, barter and exchange; National Wool Act; research to increase domestic consumption of farm commodities; export credit sales

program; bartered materials for supplemental stockpile.

#### DEPARTMENT OF COMMERCE

Maritime—Operating-differential subsidies (liquidation of contract authorization).

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Grants for rehabilitation services and facilities.

Retired pay for commissioned officers.  
Payment to trust funds for health insurance for the aged.

Payment to trust funds for military service credits.

Grants to States for public assistance.

#### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Low-rent public housing—Annual contributions.

Federal Housing Administration fund.

#### DEPARTMENT OF THE INTERIOR

Oregon and California grant lands.

Range improvements.

Bureau of Land Management permanent appropriations.

Bureau of Indian Affairs other miscellaneous appropriations.

Internal revenue collections for Virgin Islands.

Administration of Pribilof Islands.

Promote and develop fishery products and research pertaining to American fisheries.

Appalachian region fish and wildlife restoration projects.

Anadromous and Great Lakes fisheries conservation.

Anadromous and Great Lakes fisheries conservation.

Payment to Alaska from Pribilof Islands fund.

Federal aid in fish restoration and management.

Federal aid in wildlife restoration.

National wildlife refuge fund.

#### DEPARTMENT OF LABOR

Unemployment compensation for Federal employees and ex-servicemen.

Claims and expenses, employees' compensation.

#### POST OFFICE DEPARTMENT

Contributions to the postal fund.

#### DEPARTMENT OF STATE

Contributions to international organizations.

#### DEPARTMENT OF TRANSPORTATION

Coast Guard—Retired pay of commissioned officers.

#### TREASURY DEPARTMENT

Claims, judgments, and relief acts.

Interest on uninvested funds.

Refunding internal revenue collections, interest.

Internal revenue collections for Puerto Rico.

Interest on the public debt.

#### VETERANS' ADMINISTRATION

Compensation and pensions.

Readjustment benefits.

Veterans insurance and indemnities.

Veterans reopened insurance fund.

Veterans special term insurance fund.

Servicemen's group life insurance fund.

#### CIVIL AERONAUTICS BOARD

Payments to air carriers (liquidation of contract authorization).

#### CIVIL SERVICE COMMISSION

Payments to trust funds.

#### SMALL BUSINESS ASSOCIATION

Disaster loan fund.

Prepared by Bureau of the Budget, December 4, 1967.

All Members know that when you reduce appropriations you do not reduce spending by the same amount in the same year. There is a rough rule of thumb as to the whole budget that only about 70 percent of the funds appropriated for a given year will be expended in that same year. The remainder is carried over for expenditure on long-range type programs for future years.

So what we do here with this joint resolution is to wrap up the economy fight and end temporarily, until next session, the battle on spending. And we say that those of us who believe in economy have put our foot down, for this session of the Congress, and we will reduce appropriations or obligations in excess of \$9 billion and will reduce spending below the President's budget, that is, his present forecast—the one given to the Congress on November 29—by more than \$4 billion.

The following table compares the obligation and expenditures in the January budget as revised in August, the total requirements based on estimates on November 29, the reductions under the 2-percent to 10-percent formula and the revised estimates for fiscal year 1968. It also shows the application of the cut to constrollable civilian and non-Vietnam defense programs.

1968 OBLIGATIONS AND EXPENDITURES (JANUARY BUDGET AS REVISED NOV. 29)

[In billions of dollars]

	January budget as revised in August		Additional estimated requirements		Total requirements		Reduction by 2- to 10-percent provisions		Revised estimate	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Controllable civilian programs.....	38.4	22.2	—0.3	-----	38.1	22.2	—3.6	—2.1	34.5	20.1
Defense non-Vietnam.....	54.1	50.4	-----	-----	54.1	50.4	—5.4	—2.0	48.7	48.4
Foreign assistance military.....	.6	.8	-----	-----	.6	.8	—1	-----	.5	.8
Subtotal.....	93.1	73.4	—0.3	-----	92.8	73.4	—9.1	—4.1	83.7	69.3
Defense Vietnam.....	20.8	21.9	+3.0	+2.0	23.8	23.9	-----	-----	23.8	23.9
Uncontrollable civilian programs.....	30.5	45.5	+1.7	+1.7	32.2	47.2	-----	-----	32.2	47.2
Participation sales public enterprise funds etc.....	1.1	—4.3	-----	-----	1.1	—4.3	-----	-----	1.1	—4.3
Total.....	145.5	136.5	+4.4	+3.7	149.9	140.2	—9.1	—4.1	140.8	136.1

<sup>1</sup> See the following table:

[In millions of dollars]

	Amount
CCC: Price support program.....	672
HEW:	
Payments to trust funds for health insurance.....	217
Public assistance grants.....	475
Treasury: Interest of public debt.....	200
VA: Compensation, pensions, and insurance.....	127
All other.....	49
Total.....	1,740

<sup>2</sup> These figures vary slightly from Budget Bureau tables due to rounding.

<sup>3</sup> These figures do not include an estimated additional \$544,000,000 of expenditures which would be in the picture if Congress fails to enact certain legislation proposed in the January budget, as follows:

[In millions of dollars]

	Amount
Defense Production Act (cancel interest on Treasury borrowings).....	53
REA revolving fund and user charges.....	213
Interior, power marketing revolving funds.....	78
Beauty-safety activities and forest and public land highways.....	171
Treasury, mint revolving fund.....	22
Interfund transaction adjustments (net).....	7



Mr. Speaker, this is all we could achieve in the conference with the other body. It was this or nothing. It was this, or a continuation of the stalemate that began in the middle of October of this year.

Mr. Speaker, it was the feeling of the majority of the conferees that we should not go away and leave an economy proposal hanging. It was considered by a majority of the conferees that we should act responsibly. We interpreted responsible action as bringing back home resolution of the controversy. We did not get what we had in the original economy provision; no more than the original economy recommendation by the Committee on Appropriations was achieved.

As the Members of the House will recall, on October 18, when the original economy provision was pending before the House of Representatives, the proposal of the Committee on Appropriations would have cut about \$1.5 billion, and I shall not go into the details of that proposed cut at this point. However, there was a substitute offered here on the floor on October 18 and agreed to which changed that. But, now, do we want to go home, insofar as this proposal is concerned, without having taken final and definite action thereon, or do we want to obtain something by way of further reductions?

Mr. Speaker, as I pointed out earlier, a continuing resolution with the compromise economy provisions in the pending motion has been difficult to attain. It has been long sought by the House conferees in Senate-House conferences. We met six times over a period of several weeks. We searched; we explored; we considered. We traveled a long and tortuous road to reach this agreement which presents to you a set of rather specific economies.

#### H.J. RES. 888 AS IT PASSED THE HOUSE

The original version of House Joint Resolution 888, which was approved by the Appropriations Committee and submitted to the House for action, provided for sharp reductions in Government personnel, a 10-percent reduction in re-

search and development funds, and the absorption of \$625 million in pay increases for the departments and agencies. The economies were considerable and they were rather well pinpointed.

The resolution in this form was not acceptable to the House and it was struck out on a rollcall vote in favor of a substitute proposal. The vote came on October 18 and the substitute was approved by 239 for and 164 against.

The substitute was adopted without any of the usual formal background hearings, and so forth. At the time the House voted on the measure on October 18, the actual effect which would have resulted, by program and activity, in the event the provision was enacted into law was not known with any degree of precision or reliability. Since that time, the matter has been thoroughly studied and researched and the House is entitled to know what our best calculations are as to what the effect would have been, in more detail, of the enactment into law of the economy provisions of the House version of the continuing resolution.

The 239 Members who voted for the House substitute to the committee recommendation and those who voted against the substitute are entitled to know its effects. It is now calculated that, had the House version of House Joint Resolution 888 been enacted, Federal expenditures would have been reduced by

some \$7 billion, including cuts already made or anticipated in appropriation bills. The effect of the substitute would be to make additional expenditure cuts in the sum of about \$5.2 billion.

The House Appropriations Committee recommendations of October 16, which were rejected, would have provided expenditure reductions of some \$1.5 billion over and above appropriation bill reductions.

The substitute version of the continuing resolution was far from perfect but it would have achieved additional economies. But I would point out that the economies which would be achieved in the substitute conference agreement in the pending motion total \$2.6 billion beyond those already made in the 13 appropriation bills enacted. Of course, we are going to make additional savings in the two bills still pending, foreign aid and anti-poverty.

#### COMPARISON OF ECONOMY PROPOSALS

I am placing in the RECORD at this point a table showing the approximate effect of the reductions recommended by the committee on October 16 and a tabulation of the reductions which might have been achieved by the October 18 substitute over and above the reductions made in the regular appropriations process, as compared with the reductions made by the motion now before the House:

APPROXIMATION OF FISCAL YEAR 1968 DOLLAR VALUE OF THE JOINT RESOLUTION AS REPORTED FROM COMMITTEE ON APPROPRIATIONS, OCT. 16, 1967

Section	Rough value (gross)	Credit cuts made in the regular bills by House	Residual value computed
3. Civilian personnel costs, 5 percent from the budget estimates (with exceptions).....	\$900,000,000	—\$340,000,000	\$560,000,000
Defense, excluding Southeast Asia.....	300,000,000	—166,000,000	134,000,000
Nondefense.....	600,000,000	—174,000,000	426,000,000
4. Cost of increased civilian pay, absorb all of it (House version).....	625,000,000	-----	625,000,000
5. Research and development, 10 percent from the budget estimates (with limited exceptions).....	1,325,000,000	—1,000,000,000	325,000,000
Defense.....	340,000,000	—164,000,000	176,000,000
Nondefense.....	985,000,000	—836,000,000	149,000,000
Total.....	2,850,000,000	—1,340,000,000	1,510,000,000

#### CONTINUING RESOLUTION (H.J. RES. 888)—ESTIMATED EXPENDITURE REDUCTIONS

[In thousands of dollars]

Agency	Fiscal 1967 actual administrative budget expenditures	Fiscal 1968 administrative budget expenditures, (executive estimates, Nov. 29, 1967)	Estimate of expenditure changes made by appropriation bills	Approximate additional expenditure reductions by H.J. Res. 888 as passed by House Oct. 18	Expenditure reductions in conference agreement above those made in appropriation bills
Legislative branch.....	249,679	269,564	—400	—19,485	-----
Judiciary.....	87,098	95,887	—2,300	—6,440	-----
Executive Office of the President.....	27,776	28,204	+2,300	—2,728	(1)
Funds appropriated to the President.....	4,097,896	5,089,202	—400,000	—51,102	-----
Department of Agriculture.....	5,817,133	7,152,805	—56,000	—600,306	—234,000
Department of Commerce.....	756,649	998,865	—32,700	169,513	—2,300
Defense, military.....	67,570,472	74,300,000	—688,000	—525,028	—1,312,000
Defense, civil.....	1,342,601	1,465,101	—8,000	—107,262	—27,000
Health, Education, and Welfare.....	10,800,979	12,938,980	—45,800	—893,751	—364,200
Housing and Urban Development.....	520,348	607,696	—40,000	—388,671	—100,000
Interior.....	1,509,924	1,661,263	—41,800	—108,232	—18,200
Justice.....	406,888	450,796	—7,500	—34,108	—2,500
Labor.....	506,425	555,780	—11,200	—24,664	—3,800
Post Office.....	1,182,581	606,218	—58,000	-----	—2,000
State.....	410,796	422,866	—3,200	—8,870	—6,800
Transportation.....	1,468,065	1,503,660	—74,700	-----	—10,300
Treasury.....	14,538,932	15,538,880	—6,600	-----	—23,400
Atomic Energy Commission.....	2,264,017	2,385,000	—3,000	—77,713	—77,000
General Services Administration.....	678,956	710,480	—7,300	—24,194	—27,700
National Aeronautics and Space Administration.....	5,425,597	5,300,000	—385,000	-----	—90,000
Veterans' Administration.....	6,194,507	6,330,000	—1,800	-----	—78,200
Other independent agencies.....	465,947	559,458	—22,000	—55,022	—181,600
District of Columbia.....	83,601	126,760	—6,000	—37,159	(1)
Interfund transactions.....	—674,878	—681,957	-----	-----	-----
Sec. 203(4) (the \$300,000,000 obligation exemption reserve).....	-----	-----	-----	-----	+150,000
Subtotal.....	125,731,989	138,222,508	—1,899,000	—3,134,248	—2,411,000

Footnote at end of table.



## CONTINUING RESOLUTION (H.J. RES. 888)—ESTIMATED EXPENDITURE REDUCTIONS—Continued

[In thousands of dollars]

Agency	Fiscal 1967 actual administrative budget expenditures	Fiscal 1968 administrative budget expenditures, (executive estimates, Nov. 29, 1967)	Estimate of expenditure changes made by appropriation bills	Approximate additional expenditure reductions by H.J. Res. 888 as passed by House Oct. 18	Expenditure reductions in conference agreement above those made in appropriation bills
Special allowances:					
Pay increases.....		1,000,000		1,000,000	
Shortfall in asset sales.....		750,000		-750,000	
Contingencies.....		300,000		-300,000	
Total.....	125,731,989	140,272,508	-1,899,000	-5,184,248	-2,411,000
Adjusted to reflect estimates on 2 appropriations not yet passed:					
OEO (final supplemental, rough approximation).....			-200,000		+80,000
Foreign assistance (rough approximation).....			-200,000		+130,000
Adjusted total (total, \$4,100,000,000).....			-1,499,000		-2,621,000

<sup>1</sup> Reflected in figures for other independent agencies.

I would call your attention to a few of the estimated additional reductions from the President's budget expenditure estimates which would have been made by the resolution as passed by the House on October 18.

For examples:

An additional cut of \$600,306,000 in Agriculture Department programs.

An additional cut of \$107,262,000 on the Corps of Engineers-Rivers and Harbors, and so forth.

An additional cut of \$893,751,000 in Health, Education, and Welfare funds for health, school support, and so forth.

An additional cut of \$388,671,000 in Housing and Urban Development's various urban aid programs.

An additional cut of \$108,232,000 in Interior programs.

An additional cut of \$77,713,000 in atomic energy funds.

An additional cut of \$169,513,000 in the Commerce Department.

#### "CONTROLLABLE" ITEMS OR PROGRAMS

I will insert a more detailed list of the many items that would have been subject to reduction in the discretion of the department and agency heads under House Joint Resolution 888 as passed by the House on October 18. It is impossible to state with complete accuracy a precise item-by-item allocation of the reductions which might have been made by department and agency heads in assigning the required reductions. However, items subject to possible reduction in the several agencies and departments are listed below:

#### AREAS OF POSSIBLE REDUCTION IN 1968 ESTIMATED EXPENDITURES BY H. J. RES. 888 AS PASSED BY HOUSE, OCTOBER 18, 1967

Legislative branch.

The Judiciary (excluding retired pay).

Executive Office of the President.

#### FUNDS APPROPRIATED TO THE PRESIDENT

Office of Economic Opportunity (excluding loans), military assistance, economic assistance (excluding loans), other.

#### DEPARTMENT OF AGRICULTURE

Research and pest control programs, State experiment stations, extension services, soil conservation programs (including P.L. 566 watershed program), special milk program, school lunch program, food stamp program, section 32 programs, Foreign Agricultural Service, Sugar Act program, Agricultural Conservation Program (ACP), Cropland Adjustment Program (CAP), Foreign Assistance Programs (P.L. 480), Farmers Home Administration (including community development programs), other.

#### COMMERCE DEPARTMENT

Bureau of the Census; Economic Development Assistance (excluding loans);<sup>2</sup> promotion of Industry and Commerce; Weather Bureau (excluding retired pay);<sup>1</sup> Patent Office; Maritime Administration; other.

Defense, Military (excluding military & retired pay and Southeast Asia).

Defense, Civil (excluding Panama Canal Company).

#### HEALTH, EDUCATION, AND WELFARE DEPARTMENT

Food and Drug Administration; Office of Education (excluding loans);<sup>2</sup> Vocational Rehabilitation Administration; Public Health Service (excluding retired pay);<sup>3</sup> Grants for Maternal and Child Welfare; Other, Welfare Administration; Other.

#### HOUSING AND URBAN DEVELOPMENT DEPARTMENT

Urban renewal programs; low-rent public housing; urban mass transportation; open space land programs; water and sewer facilities; city demonstration programs; other.

#### INTERIOR DEPARTMENT

Bureau of Indian Affairs (excluding loans); Bureau of Outdoor Recreation; Geological Survey (excluding loans); Bureau of Mines; National Park Service; Fish and Wildlife (excluding loans); Water pollution control; Other.

#### JUSTICE DEPARTMENT

Federal Bureau of Investigation; Immigration and Naturalization Service; Federal Prison Systems; Other.

#### LABOR DEPARTMENT

Manpower development and training; Labor-management relations; Wage and Hour Division; Bureau of Labor Statistics; Other.

#### STATE DEPARTMENT

Administration of foreign affairs; Contributions to international organizations; Education exchange; Other.

Atomic Energy Commission (excluding weapons program).

General Services Administration.

#### OTHER INDEPENDENT AGENCIES

National Science Foundation; Selective Service System; U.S. Information Agency; Water Resources Council.

District of Columbia.

<sup>1</sup> Now designated as "Environmental Science Services Administration" which includes Weather Bureau, Coast & Geodetic Survey, and Central Radio Propagation Laboratory—formerly in Bureau of Standards.

<sup>2</sup> Includes funds for elementary and secondary education, impacted areas, higher educational activities, vocational education, libraries and community services, and education for the handicapped.

<sup>3</sup> Includes National Institutes of Health, Hill-Burton hospital construction, community health services, disease prevention and environmental control, Indian health activities, and mental health programs.

#### SPECIAL ALLOWANCES

Civilian and military pay increases; Shortfall in asset sales; Contingencies.

#### EXPENDITURE LIMITATIONS

The very able ranking minority member of the Appropriations Committee, my good friend from Ohio, FRANK BOW, proposes to offer an amendment which would place an overall unallocated ceiling on total expenditures for fiscal year 1968. As I understand it, his proposal would further reduce expenditures in the fiscal year by an additional \$1,600,000,000 more than the reductions agreed to in conference.

My friend from Ohio is interested in expenditure ceilings. But as the gentleman knows, at the present time the bookkeeping in the Federal Government is based on obligations. At the end of this month, one-half of the fiscal year will have passed. It is not reasonably possible to establish the physical bookkeeping machinery necessary to place meaningful expenditure controls on the Federal Government in the remainder of fiscal year 1968.

Mr. Speaker, a vote for further reductions in the pending resolution at this time would only appear on the surface to be a vote for a further reduction. It would, in view of the practicalities of the congressional situation, be a vote for no reduction at all. My point is that it would be impossible to get agreement at this time for further reductions in a House-Senate conference and the passage of any further economy resolution would be jeopardized.

#### EXPENDITURE TREND

I should add, however, that even with the reductions which Congress has achieved this year in expenditures, including the \$4.1 billion reduction contemplated by the pending motion, we must face up to the sobering and disturbing fact that budget expenditures in fiscal 1968 are estimated to exceed expenditures in 1967 by as much as \$10.5 billion.

Of course, the war is responsible for much of the increase, but the American people need to be aware of the sharp upward trend in Federal spending.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Wisconsin.

(Mr. LAIRD asked and was given permission to revise and extend his remarks.)



Mr. LAIRD. I thank the chairman of the Committee on Appropriations, the distinguished gentleman from Texas [Mr. MAHON] for yielding to me at this time.

I am not completely clear in my own mind as to how this reduction affects the expenditure rate that was estimated in the original budget which was submitted by the President in January. I say this especially in view of the fact that when the Labor-HEW appropriation bill was on the floor of the House for consideration, I estimated at that time that the expenditures included in the President's budget were understated—the amount of money that would be expended by the Department of Health, Education, and Welfare were understated by over \$1 billion. It is my opinion that at the present time the figure could well be \$1.5 billion.

Further, the President of the United States has underestimated his expenditures in that Department by that amount with reference to the controlled items, as well as having underestimated expenditures in the Department of Defense, the subcommittee for which the distinguished gentleman from Texas is chairman. Certainly, the Department of Defense has underestimated its expenditures by at least \$4 billion and, probably, by \$6.7 billion.

How does this reduction affect this misstatement of expenditures on behalf of the executive branch of the Government?

Mr. MAHON. The President's spending budget, his administrative budget, which was sent up here in January, estimated spending as I recall, at \$135 billion. It was revised upward in early August by about \$1.5 billion by reason of the initial support required for farm programs, and by reason of additional funds required for public assistance, as well as a large additional sum in the Department of Health, Education, and Welfare-Labor appropriation bill, and the like.

Mr. LAIRD. I understand that the budget document has not been amended. Either he will amend his expenditure budget or his new obligational authority budget and, therefore, he has to send up some additional requests.

Is he saving those requests until next year?

Mr. MAHON. What I am saying is that the present estimate is that the budget—without the economy action of the Congress and the Executive—the spending budget for fiscal 1968 will be about \$140 billion, plus. The pending amendment represents a \$4 billion cut in spending below the estimate which was submitted by the Bureau of the Budget. So, the revised spending budget, or the spending figure—whether you choose to call it the "budget" or not—is \$136 billion, plus, if we achieve the economies proposed in the appropriation bills which we have heretofore passed and the reductions proposed here today.

So, Mr. Speaker, I would hope that we could achieve these additional reductions.

Mr. LAIRD. Mr. Speaker, if the gentleman will yield further, many of these items are obligational items which are cut back 2 percent plus 10 percent, as I

understand it. In other words, every item that is a controllable item is cut to that extent, unless it was cut by a larger amount by the Congress itself.

My question is on the original House-passed resolution wherein we gave discretion within the executive branch of the Government insofar as the overall expenditure level is concerned. There are some items that are very close, for which the administrators of the various programs and items involved have given us a very accurate estimate. I would put the Department of State budget in that category. It is a very tight budget. There are not many areas insofar as personnel and other items are concerned that can probably be cut that much.

What leeway is there in this resolution on the executive branch?

Mr. MAHON. There is authorization to exempt an aggregate of \$300 million of obligations for programs and projects.

Mr. LAIRD. In the original Bow position there was sufficient leeway in order to handle this matter.

Mr. MAHON. There is a \$300 million leeway made available by section 203. That amount could be used to waive cuts which could not possibly be made without injury to the general welfare.

Mr. LAIRD. So this is more or less a general free fund for the President to use to prevent serious damage to essential programs?

Mr. MAHON. Yes.

Mr. LAIRD. And the President has complete jurisdiction over that?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I would like to point out the language that was offered and accepted in the conference, which says in reference to the \$300 million, "except that no program, project, or purpose shall be funded in excess of amounts approved and authorized by Congress."

So that while this is free to a degree, the President cannot use it for any purpose unless Congress theretofore had approved it.

Mr. LAIRD. But that is authorized, not appropriated.

Mr. EVINS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS of Tennessee. Mr. Speaker, I thank the gentleman for yielding.

I just want to reemphasize what the Chairman said. By adoption of this resolution, new obligational authority will be cut by \$9 billion, and spending will be cut by \$4 billion 120 million. Earlier, when the resolution passed the House, we did not have the precise figures as to what expenditures would be cut under the provisions adopted. Now, at this time, we do have the precise figures. I believe most everyone would want to support this resolution to cut new obligational authority by \$9 billion, and spending by more than \$4 billion.

I just wanted to reemphasize the position of the chairman.

Mr. MAHON. Mr. Speaker, I yield 15 minutes to the gentleman from Ohio [Mr. BOW].

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Speaker, first I would like to say exactly what I consider the parliamentary situation to be, and what I shall do.

We cannot recommit this conference report, but when the gentleman from Texas moves the previous question on amendment No. 2, I will seek to defeat the previous question for the purpose of offering an amendment. My amendment would be to the language now in the conference report as submitted by the gentleman from Texas and a spending limitation of \$134,600,000,000.

The amendment which I will offer is the same amendment which the House has adopted on four occasions; that is, a spending limitation, putting a ceiling on the amount that can be spent. That will be the question before the House on the previous question if it is voted down. Then I can offer the amendment, we can debate the amendment, and then the question will arise on the adoption of the amendment. So I would hope that the House would vote down the previous question to give us that opportunity to debate the matter.

The last time we had this matter before the House, the spending limitation carried by over 100 votes. That was the will of the House, that we have a spending limitation. We gave it up in the conference. Frankly, I do not believe that the conferees fought very hard for the House position.

You will note that the three conferees on this side of the aisle did not sign this conference report because it does not contain any of the will of the House, and the House voted four times, and the limitation carried the last time by over 100 votes.

I have been chided here a number of times about delegating the authority of the House to the executive. Well, my friends, that is exactly what is being done here today, for the language in this continuing resolution, with the exception of a few words, was written and dictated by the Director of the Bureau of the Budget, not by your committee.

It is the same language, practically the same language that was held out as a carrot to the Committee on Ways and Means to try to get a 10-percent increase in taxes, and subsequently sold by the Bureau of the Budget to the conferees.

This is not the language of the House of Representatives and it is not what you voted for on four occasions, and the last time by over 100 votes.

So if you vote down the previous question, you will again have the opportunity to work the will of the House which we have been trying to do but which we did not do, and this will work the will of the House as to a spending limitation.

Now I have a chart here that I should like to discuss. This shows our present situation. This came out in the hearings of the Committee on Ways and Means.

The gross estimated expenditures as of November 29 are \$140.3 billion—less expenditure reductions of Congress in its appropriations, which my distinguished chairman has discussed, which will



amount to about \$1.5 billion in spending, which produces net estimated expenditures for this year to \$138,800,000,000.

We anticipate receipts, as given to the committee on November 29, of \$116.4 billion, which shows a deficit of \$22.4 billion.

Now I call your attention to this chart.

There are gross expenditures of \$140.3 billion, which they have given.

Effect of congressional expenditure reductions in appropriation bills amounts to \$1.5 billion.

Then under the so-called limitation—the Bow amendment, there will be an additional \$4.2 billion, if it is adopted, giving us a total reduction of \$5.7 billion—and putting a spending limitation of \$134.6 billion.

In other words, that is all that could be spent.

I say to the Members of the House, the original spending limitation was \$131.5 billion. But, in order that we may properly run the Government, we have increased the level and I have given in to that extent—but not on the principle of the spending limitation. If we start with the 1967 expenditures as a base—and we all know that 1967 was a good year, in spending, and they did not have much trouble with it. The uncontrollable items have increased, taking their own figures—the figures of the Director of Bureau of the Budget—the increase on uncontrollable items is about \$4.5 billion. That is on the war in Vietnam where there are the increased costs.

The increases in uncontrollable civilian programs amount to \$4.4 billion.

If you take the 1967 base, which was a good year, and add to it the uncontrollable items of \$4.5 billion and \$4.4 billion, you get the \$134,600,000,000. These are the administration's figures. These are the figures of the Director of the Bureau of the Budget. This puts a limitation here so that you will not have a continuation of the rise in expenditures.

I call your attention to one more chart. These are the expenditures under the administration's proposals as compared with 1967. Non-Vietnam is up \$200 million. Defense in Vietnam is up \$4,500,000,000.

Relatively, uncontrollable civilian programs are up \$4.4 billion.

Controllable civilian programs are up \$1.4 billion—from \$15,200,000,000 to \$16,600,000,000.

The administration's November 29 estimate of expenditures is \$138.8 billion and the administration has said that we can take another \$2.6 billion out of this.

That was the testimony before the Committee on Ways and Means.

If the administration proposal is adopted spending will be \$136.2 billion.

If you take the additional savings by a spending limitation of \$134.6 billion, there will be additional savings of \$1.6 billion.

Let me remind you that in 1967 the deficit was \$9.9 billion.

The deficit this year under the administration's proposals would be \$22.4 billion, and, under this continuing resolution, as brought in by the gentleman from Texas, you would have a deficit of somewhere around \$19.8 billion.

If you adopt the so-called Bow amend-

ment, the spending limitation, and using their figures as to what they can get by with, there is no problem here for them. If you adopt that, then your deficit will be about \$18 billion.

I submit to you that if you will vote down the previous question and give us an opportunity to offer the amendment you will still do the job that this House on four occasions asked that we do.

Again I say to you that this resolution as given to you today by our distinguished chairman is not the language of the House of Representatives. A few words were put in it and, I might say to you, one other change was put in it. The Director of the Bureau of the Budget included the House of Representatives and the judiciary, but that was taken out. I think we should find some way to include the judiciary and the House of Representatives, but the way has not been found yet. I would hope that the House will support the effort to vote down the previous question, only so we can debate in detail what I am submitting to you.

I am only asking that we have an opportunity to debate that which the House on four occasions has directed. Then, vote as you see fit after full debate on the question of limitation. I can ask no more than your best judgment after we have had an opportunity to work the will of the House on this measure.

I yield to the distinguished gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Speaker, I take this time to congratulate the gentleman in the well, the distinguished Member from Ohio and ranking member of the House Committee on Appropriations, for the magnificent fight he has made this year to bring the fiscal situation of this Government into some kind of order. I do not think we would be at this stage of the proceedings where some substantial reductions in spending are going to be directed if it had not been for the fight that the gentleman has led. I have been pleased to give him 100-percent support in this effort.

May I say in addition to that, while my friend from Ohio was unfortunately away earlier in the session, it was my privilege to substitute for him here on the floor, when the second departmental appropriations bill was on the floor, preceded only by the bill for the Post Office and Treasury Departments which are not really susceptible to an employee limitation, I offered an amendment on the floor which would have reduced the employee level of that Department by 2 percent, the exact percentage that the administration now proposes itself as is apparent from the text of the continuing resolution under consideration today.

If we could have gotten some support from the administration forces in the House, at that time, we would have had a 2-percent personnel reduction in most of the bills that have been enacted. Is that not true?

Mr. BOW. That is correct.

Mr. JONAS. While it is to be regretted that we did not receive much support from across the aisle in that effort when it was made, I guess we ought to be grateful for it now.

Mr. BOW. I thank the gentleman. May I say that if you vote down the previous question, the amendment will contain all

the language that is now in the continuing resolution but will add one paragraph, and may I read it to you. This is all that is in the amendment which I shall offer:

Sec. 207. Notwithstanding any other provision of this title, net aggregate administrative budget expenditures during the fiscal year ending June 30, 1968, shall not exceed \$134,600,000,000, except by those expenditures in excess of \$23.9 billion that the President may determine are necessary in behalf of our military effort in Southeast Asia.

That, my colleagues, is our position. I hope the House will support us.

I am glad to yield to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I thank the gentleman from Ohio for yielding to me. I should also like to add my congratulations to the gentleman for the yeoman service that he has rendered in this very important matter.

One of the things that has disturbed me throughout this whole consideration has been the delegation of the authority and the duty of the Congress to the President to make these cuts. If I understand it correctly, under the amendment proposed by the gentleman, the President could make these cuts wherever he saw fit in these items that are not controlled. Is that correct?

Mr. BOW. I do not believe so. If I may say to the gentleman, it will still contain the language in the bill with respect to the 2 and 10 percent. It only puts a ceiling on the total expenditures, but the formula for cuts is now set in the language submitted by the gentleman. Let me read further from the conference report, if I may, on page 5, about the middle of the page. This is under the language in the continuing resolution now before the Congress, without my amendment.

The allocation of the reductions within the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President.

That is in the present resolution, and in mine we would adopt the same resolution; however, we would put a ceiling above which they cannot go. This puts a ceiling on the expenditures.

Mr. COLMER. I understand that part of the gentleman's argument. But if I understand the situation correctly, under both the Bow amendment and the amendment of the resolution offered by the gentleman from Texas, it would still be left up to the Executive as to where the cuts are going to be made.

Mr. BOW. That is true within the agencies up to a point of 10 percent.

Mr. COLMER. Yes.

Mr. BOW. The charts to which I have referred here in the well follow:

*Fiscal 1968 administrative budget—Expenditures, receipts, and deficit as estimated by the Budget Bureau, November 29, 1967*

[In billions]	
Gross estimated expenditures.....	\$140.3
Less: Effect of Congress' reductions in appropriation bills.....	1.5
Net estimated expenditures....	138.8
Anticipated receipts.....	116.4
Deficit .....	22.4



<i>Fiscal 1968 administrative budget expenditures</i> [In billions]	
Gross expenditure estimate as of November 29-----	\$140.3
Effect of congressional reductions in appropriation bills-----	1.5
Additional reduction under Bow expenditure limitation-----	4.2
Total proposed reduction in 1968 spending-----	5.7
Proposed Bow expenditure limitation-----	134.6
<i>Bow expenditure limitation proposal</i> [In billions]	
Start with 1967 as a base-----	\$125.7
Add relatively uncontrollable items:	
Increased costs of Vietnam-----	4.5
Increased costs of civilian programs-----	4.4
Proposed expenditure ceiling--	134.6
<i>Expenditures under administration's proposal compared with 1967</i> [In billions]	
Defense non-Vietnam:	
1967 actual-----	\$48.2
1968 November estimate-----	48.4
1968 increase over 1967-----	+0.2
Defense Vietnam:	
1967 actual-----	19.4
1968 November estimate-----	23.9
1968 increase over 1967-----	+4.5
Relatively uncontrollable civilian programs:	
1967 actual-----	42.9
1968 November estimate-----	47.3
1968 increase over 1967-----	+4.4
Controllable civilian programs:	
1967 actual-----	15.2
1968 November estimate-----	16.6
1968 increase over 1967-----	+1.4
Total:	
1967 actual-----	125.7
1968 November estimate-----	136.2
1968 increase over 1967-----	+10.5
Administration's November 29 estimate of expenditures-----	138.8
Savings proposed by administration-----	2.6
Expenditures if administration proposal is adopted-----	136.2
Additional savings by Bow amendment-----	1.6
Expenditures if Bow ceiling is adopted-----	134.6

Mr. MAHON. Mr. Speaker, for clarification, I would like to state at this moment what I believe is involved here, and I would like to have the attention of the gentleman from Mississippi, Chairman COLMER.

The proposed Bow substitute would provide cuts above the cuts made in the pending amendment to the extent of \$1,600,000,000 in expenditures, which would require a cut of about \$3.5 billion of additional obligational authority. This would bring the total cut in obligational authority for the year up to about \$12 billion-plus. Under the Bow proposal, the President could select where he would make the additional expenditure cut of \$1.6 billion. He would not be confined to any one agency or group of agencies. Congress would lose control. The President could go to any area of the Government for the purpose of making those additional reductions.

He would be confined, however, under the \$4 billion cut to specific amounts by individual departments and agencies. The amounts are outlined and required in the reduction formula of the motion now pending.

Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, Members of the House will recall that in connection with this matter, when it was last before the House—I believe on October 18—after the Bow amendment was adopted reducing expenditures by \$5 billion and leaving to the President the determination as to the place to cut, I offered a substitute to the original resolution which would limit expenditures by departments and agencies to the 1967 fiscal year level, except in those cases where, of course, we can readily see we could not have such a limitation, such as Vietnam, interest on the debt, and certain loan programs and corporate operating expenditures.

My substitute as subsequently presented to the conference, less the Bow provisions, provided as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "December 20, 1967". And by adding the following language:*

*"Provided further, That for fiscal year 1968, unless hostilities in Viet Nam and Southeast Asia should cease earlier, Federal spending of appropriated funds except expenditures from trust funds, loan funds and corporate funds by each Department and Agency of government, including the Legislative and Judicial branches, except for military expenditures of the Department of Defense directly related to our involvement in Southeast Asia, including pay of all military personnel, the payment of interest on the National Debt, other obligations incurred under authority of law, payments under the Social Security Act, veterans programs and other retirement benefits, medicare and old age assistance payments, shall not exceed the amount essential to permit each Department and Agency to operate at the fiscal year 1967 level, except that the limitation on the Department of Transportation shall not be more than the 95 percentum of the Budgeted amount for 1968. Provided further that where deemed necessary to maintain mail service, the President is authorized to exempt the Post Office Department from the provisions of this Act; and, provided further, Should the President deem it necessary for collection of revenue, he is authorized to exempt, to the extent necessary, the Internal Revenue and the Customs Services.*

*"Provided further, That such reductions of expenditures insofar as practical may be made by stretching out the time schedule of performance on contracts so as not to require the elimination of new construction starts, and by each Department and Agency not filling vacancies."*

This resolution passed the House on October 18. Since that time we have been in conference trying to get the other body to go along. In the meantime, the executive department has frozen funds

for the Rural Electrification Administration, for Public Law 566, watersheds, for water and sewer grants, and for other programs involving new construction.

Then we make the finding that we must cut the budget by \$9 billion and the expenditures by \$4 billion by holding back replacement of personnel up to 2 percent and by stretching out contracts and increases of up to 10 percent of programs, many of which are not frozen altogether.

Following that we provided for the \$300 million to be available to meet unexpended contingencies, and we limit that to programs which the Congress has approved.

So it is not a carte blanche authority to spend anywhere.

It is mighty difficult to write something which applies to the whole Government and not to overlook something one did not think about. We provided that: "except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress."

Not only that, but this language was written by the conference members from the House side.

May I say, I do not know how much longer one can insist, than from October 18 until today. It strikes me that I have seen conferees stay out much less time than that, trying to have their way.

I call attention to the provision which was in the original bill, when I offered it as a substitute and which is in the present conference report:

To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

That was put in by the Members of the conference at our insistence.

This provision I lost in the conference so far as including it is in the bill is concerned, but I believe the conferees without exception approved the language being in the report, where it is:

It is the sense of the conferees that, insofar as practical, reductions made under this title shall be applied in such manner as to maintain the level of operation of any program in fiscal year 1968 at not less than that maintained in the fiscal year 1967, except where otherwise provided in the 1968 appropriation bills or other acts of Congress.

Your conferees have done everything possible. I personally do not see any reason why, under this conference report, a program should be reduced below the 1967 level. I know many are being blocked altogether, such as REA hospital, and school construction, rivers and harbor development, and others.

If the Members will look at the table to my left, I believe they are bound to reach that same conclusion, when they look at what the 1967 spending level was.

As to those controllable items, how could anybody complain if they could go along at the same level they were used to?



Let me point out something else before us today. As I said, since October 18 your conferees have been unable to get the other body to agree with us on the 1967 spending level, with the exceptions mentioned. We have stayed there that long.

What has happened in the meantime? Listen to this, my friends. In the absence of our setting a guide rule, which the adoption of conference would do so far as the clear intent of Congress is concerned, these programs have been held up as I have pointed out.

The Corps of Engineers has been frozen by a directive of the executive department, and so has the Bureau of Reclamation.

These instructions place a freeze on all new contracts and on all bids not opened prior to October 9.

Since October 18, the executive department has issued orders freezing hospital construction and school construction.

Many of the Members come from areas other than mine. I notice there are reports here about the need to give attention to the great rural areas of this country.

Do the Members realize that in this period of time the executive department—the Bureau of the Budget—has frozen funds for these purposes?

No new loans or contracts are being approved where the plan was not underway and the work was not underway. If the work is underway, loan funds are being advanced.

For each of the FHA loans there is the same slowdown. The same is true with respect to operating loans.

We are caught in this situation, in the absence of our setting guidelines and at least holding the cuts to reasonable limits as the conference report before you would do, we are faced with these programs being on an absolute stop basis.

On the one hand, I feel I offered a much more sound proposition. I truly believe, that with the war going on, we will be lucky to be able to maintain domestic programs at the 1967 levels. On the other hand, we need to take care of our own country, in view of our obligations and commitments around the world. It is better for us to act than for the Budget Bureau to make the same savings by freezing these programs.

We have a need to save money on the one hand, but we also have a need to act so that we can proceed with these programs.

I would like to differ with my colleague from Ohio at this time. I too wish to commend him for his efforts, and I think they have been fruitful, but I think it has taken a whole lot of other things to go along with his proposal for it to be workable.

In the conference report we have before us, our committee—the gentleman says it comes from the Budget Director, but our committee—wrote in there section 201:

In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines . . .

I would point out that since the gentleman from Ohio [Mr. Bow] adopts as

a part of his amendment the language which is in this report, it shows he approves it. To these reductions he would add another \$1.6 billion, which would again invite the executive department to freeze or to continue to freeze the very items that I mentioned to you, REA, public works, FHA, watersheds, water and sewage grants. Having adopted as a part of his proposal the pending resolution he thereby approves it, but when he adds to it \$1.6 billion without any strings or directives or anything else, he invites more freezing of the very things that I am trying to unfreeze.

Let me give you another little illustration. I want to say again that the gentleman from Ohio deserves a great deal of credit for having brought this to a head, but there is one other thing I want to point out. Do you realize that if you have an overall expenditure ceiling in the whole Government, that you would have to check every cash register regularly in order to stay within the overall ceiling? Has anybody estimated whether it would cost less than the \$1.6 billion to do that amount of bookkeeping? I say that it is completely unworkable to have it in the way that he approaches it.

You say to me, "What do you offer?" I offered as a limit the 1967 spending level. That spending level is a set of figures that you can put in front of you and limit yourself to, agency by agency. In this report we have the reduction is 10 percent on all of the programs from the budgeted level. May I say that I do not know of any program that should suffer any real injury below the 1967 spending level for the reason that a considerable part of these expenditures have already been held up for half of the fiscal year. I repeat again that I hope you will vote for the previous question and go ahead and get this behind us. It will save as much money, but it will save sound programs.

May I say personally—and I am sure other members of the committee have been assured likewise—the Bureau of the Budget says that it will cooperate with the Congress in carrying out this resolution on a fair and equitable basis.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague from Mississippi.

Mr. COLMER. First I would like to compliment the gentleman as well as I did the gentleman from Ohio [Mr. Bow], on the splendid work he has done also in this field of trying to cut expenditures, but I ask my colleague the same question that I asked the gentleman from Ohio [Mr. Bow].

In the final analysis, the President is going to make the cuts under the present resolution that the gentleman is advocating and the result is going to be the same so far as the responsibility for making the cuts is concerned. The Executive can cut out everything for the REA and cut out everything for some other department if he sees fit to do so, as I understand this resolution. I hope I am wrong.

Mr. WHITTEN. May I say that my distinguished colleague, the chairman of the Rules Committee is clearly wrong as

far as the expressed intent of Congress and my understanding of it are concerned. The provisions are tied to the departments and the agencies and to the budget.

Furthermore, there has been absolute assurance given by the Bureau of the Budget to me and to others that this will be treated in a fair and proper manner. In addition we have directed that the 1967 level be maintained to the extent possible. So that there is not any reason for the gentleman's fear in this area so far as I know.

Mr. COLMER. I would like to see something spelled out here as to where the cuts will be made.

Mr. WHITTEN. May I say I just pointed out where the executive department is presently applying the cuts. We try to provide for fair play within guidelines as set out in the conference report, not more than 10 percent of the budgeted amount, except where Congress provided a lesser amount.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield 3 additional minutes to the gentleman from Mississippi.

Mr. BOW. Mr. Speaker, will the gentleman yield to me?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. BOW. So that I can very briefly reply to the question of the gentleman from Mississippi [Mr. COLMER]. I think the resolution brought in by the gentleman from Texas does protect many of the funds and trusts and uncontrolled funds. The gentleman will see by my chart that I proposed to protect the uncontrolled funds.

Mr. WHITTEN. May I say in appreciation of the fact that my colleague would like to do this that I do know I have worked hard since October 18 to try to reach an agreement with the other body so as to free the programs which have been frozen. This report is not exactly as I would have had it. Earlier in my remarks I pointed out what I preferred—that was to leave us able to operate at the 1967 level which would have saved just as much money. With about 12 others on the conference I simply could not have my way. The point that I am trying to make here is, that if you accept this report, I see no reason why our agencies could not go along at the 1967 level. While I lost this language in the resolution, it is in the report saying that it is the sense of the conferees insofar as practicable that programs shall be maintained at not less than the 1967 levels. I know of no way to bind the President. Certainly we make it plain what we mean.

In my opinion there is a whole lot of difference between right and might. I insist that there is no right to cut these programs below what Congress approves here today; I have to agree that there is power to freeze funds. When one reads this language as contained in the report saying that these operations shall be carried on at the 1967 level and the total amount to which they come, we have gone as far as we could to obtain what my distinguished colleague, the gentle-



man from Mississippi [Mr. COLMER] says he can accept.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. Of course, I yield to the distinguished Speaker of the House of Representatives.

Mr. McCORMACK. As I understand the resolution, the guidelines of the 10 percent in the end are achieved and are spelled out and prescribed; is that correct?

Mr. WHITTEN. That is right.

Mr. McCORMACK. Mr. Speaker, if the distinguished gentleman from Mississippi will yield further, if the previous question is defeated and if the amendment which has been offered by the distinguished gentleman from Ohio is adopted, such action would add the sum of \$1.7 billion of absolute veto power to the President of the United States; is that correct?

Mr. WHITTEN. It would invite the President to cut that much further where he pleased, and might be taken by him as approving the freeze of funds for REA, hospitals, schools, water and sewerage grants, FHA and the others presently held up. These items which I have read to the Members of the House several times, in my opinion, it would be most unsound to follow that course. I truly believe if this resolution is adopted the President will release funds for these programs and will cooperate with the Congress in carrying on essential activities.

As I have said many times, "the more serious our problems the more essential that we look after the protection and development of our own country."

I used this argument very effectively when President Eisenhower vetoed 63 new public works projects in 1959 and the Congress adopted my motion overriding his veto on the second try.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD].

(Mr. GERALD R. FORD asked and was given permission to revise and extend his remarks.)

Mr. GERALD R. FORD. I thank the distinguished gentleman from Texas [Mr. MAHON], the chairman of the Committee on Appropriations, for yielding this time to me at this point during the debate upon this most crucial question. I particularly wish to congratulate the distinguished gentleman from Ohio [Mr. Bow] for initiating, fighting for and seeking to carry out the views of a majority of the Members of this House of Representatives in trying to effectuate and to achieve economy insofar as the Federal Government is concerned.

Mr. Speaker, I congratulate the Members of this House of Representatives on our side of the conference committee, those Members who joined with the distinguished gentleman from Ohio [Mr. Bow] in refusing to sign the conference report. I say this because in my opinion the conferees, the majority on the Democratic side of the aisle, have come back totally and completely empty handed insofar as measuring the conference accomplishments against what the House

of Representatives decided upon on October 18, 1967.

Mr. Speaker, I concede that this conference report is probably better than anything we have had before. However, in relation to what the House voted for on October 18, 1967, this conference report, in effect, is emptyhanded.

Now, Mr. Speaker, permit me to review very quickly some of the figures which in my opinion are very pertinent to this discussion.

Mr. Speaker, in fiscal year 1967, the expenditures for the Federal Government were \$125.7 billion. The limitation which the House of Representatives approved, by a vote of 253 to 143 on October 18, would have set a spending limitation for fiscal year 1968 of \$131.5 billion, about \$6 billion more than the actual expenditures last year in the previous fiscal year. Mr. Speaker, no one can allege that fiscal year 1967 was a year of austerity in the Federal Government.

Under the proposal which has been proposed by the distinguished gentleman from Ohio [Mr. Bow], if we defeat the previous question, the spending limitation would be \$134.5 billion. The gentleman from Ohio has upped it above that which was approved by this very House of Representatives on October 18. He has done this because of certain facts of life which have transpired in the meantime. The fiscal situation in the Federal Government has deteriorated even worse than was anticipated under the mismanagement of the Johnson administration.

Another expenditure figure is the cut that is submitted to us today in the conference report—\$136.2 billion. The conference report limitation is \$1.6 billion more—higher—than the amount as carried in the amendment which will be offered by the distinguished gentleman from Ohio [Mr. Bow] if we defeat the previous question.

So when we come right down to it, in the vote on the previous question, which will come up very shortly, if you vote "no" on the previous question you are voting to save an extra \$1.6 billion, and if you vote "yes" on the previous question you are voting to spend \$1.6 billion more. It is just that clear cut and categorical. Even though it is a parliamentary vote, it will be identified—and it should be—as the difference between a spending limitation of \$134.6 billion, which is the Bow proposal, and the spending limitation, if you can honestly call it that, which comes in the form of a conference report of \$136.2 billion, a difference of \$1.6 billion.

A "no" vote to save \$1.6 billion. A "yes" vote to spend that much more. It is that clear cut. A "no" vote is for economy. A "yes" vote is for more spending.

I hope and trust that with the issue as visible, as clear cut as that, there should not be any question about how we should vote when you bear in mind that we are right now faced with the most serious fiscal crisis this country has faced in this century. I suggest we bear in mind the inflation that America is faced with today, the 4-percent increase in the cost of living, and the serious credit crunch and partly exorbitantly, high interest rates. If you want to fight inflation, fight in-

creases in the cost of living and try to bring down interest rates, vote "no."

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, one of the issues involved here, it seems to me, is whether we are going to have a continuing resolution that will be adopted by both bodies. I believe that is a very important issue. The wise course, it would seem to me, for those who believe we should make reductions in expenditures would be to vote for the previous question and to agree to the proposal presented by the conferees. We all agree that there is need for economy.

In fact, Mr. Speaker, the Congress is facing its moment of truth. Ahead of us is an absolutely unacceptable deficit that must be dealt with during this session of Congress.

The committee has proposed an expenditure reduction formula designed to cope effectively with this problem.

We submit today that the formula contained in that proposal—not the alternative proposal known as the "Bow expenditure limitation"—is the best answer for the Nation's needs.

The conferees propose that each civilian Federal agency reduce its obligations by an amount equal to 2 percent of its payroll and 10 percent of other controllable obligations. The President is in full accord with this proposal.

Congress has already appropriated reductions totaling \$4.6 billion and in actual fiscal 1968 expenditures, 1.5 billion. This proposal would further reduce expenditures by \$4.6 billion and in fiscal 1968 expenditures, by \$2.6 billion.

It is important to note, however, that even after this proposed cutback the budget is still going to be \$1 billion higher than January's budget as submitted by the President.

The proposal is sound and sensible. If we were to embrace the Bow formula we would place an across-the-board ceiling on Federal expenditures—a ceiling that would mean chaos and straitjacket management of vital programs.

In my judgment, the Bow amendment would endanger the vital operations of the Federal Government and affect the security and welfare of the American people.

We all know that "uncontrollable" expenditures can easily rise above current estimates. In fact, the present estimates are already \$2½ billion more than we expected last January. If they do begin to rise, we may not get a confirmation of this until next March or April. Then, in one or two months, we would literally have to gut programs—farm loans, hospital construction, veterans' medical services, poverty and the like—to live within the Bow expenditure ceiling.

We cannot chain the Federal Government to the wall of fiscal absolutism. We must follow the reasonable and effective alternative proposed by the committee and by the Administration.

Cutbacks cannot be synonymous with an across-the-board ceiling. Some important programs have already had their appropriations cutback by Congress.



Others have received nearly all of their appropriations.

For example, the proposal will cut-back nearly half of the \$4.6 billion from non-Vietnam appropriations received by the Defense Department.

We are not going to sacrifice the school lunch program or educational scholarships, or hospital grants in the name of fiscal integrity.

Mr. Speaker, expenditure cutbacks are not popular. But this is the right medicine to cure the terrible illness of inflation, and tight money.

The President needs and wants this proposal. The Congress should support him, and I believe it will.

Our President has led us through a period of unprecedented economic advancement. This advancement testifies to his leadership.

The economic dangers we face as a nation and a people demand prompt and courageous action. But they do not require the drastically irresponsible plan forwarded by the gentleman from Ohio [Mr. Bow].

I urge all my colleagues on this side of the aisle to stand together with their President and their Committee on Appropriations; to act with wisdom and responsibility, to vote up the previous question and to adopt the continuing resolution.

(Mr. ALBERT asked and was given permission to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, a number of statements have been made about the contributions that various Members have made during the session to the cause of economy and responsibility in Government. I welcome the support of the gentleman from Ohio [Mr. Bow], and the gentleman from North Carolina [Mr. Jonas], and others who have cooperated with the majority in making reductions. Their cooperation has been helpful. Every subcommittee chairman has contributed. But no committee is effective without the support of the House.

It is the House of Representatives that is due the credit or the blame for whatever reductions we have made. We are about to complete a program which for the session will achieve close to a \$6 billion reduction in appropriations. We are now about to make additional cuts beyond the \$6 billion. It is the best that we can do under the circumstances. Of that I am absolutely confident.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Arkansas [Mr. MILLS], the chairman of the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, is it the idea of the gentleman from Texas that, if this matter is sent back to conference, he could accomplish in the conference any additional reduction over that which is in this conference agreement now?

Mr. MAHON. The gentleman has asked a very good question. No; we could not achieve additional cuts should this measure be sent back to conference.

The motivation for this resolution in the beginning was the continuing resolution. A continuing resolution was an im-

perative necessity. The need for the resolution has passed. There is no longer a real necessity for a continuing resolution. The only excuse to have this legislation on the floor today is the economy provision.

If we send this measure back to conference, for all intents and purposes, it would be dead. It took us weeks to work out an agreement. The other body would go no further than the pending proposal. About all that would happen, in my judgment, if we send this back to conference is that it would just die and when we adjourn on Friday or Saturday, we would have no further economy cuts at all as a result of the pending resolution. It is just this or nothing, as I see it.

Mr. MILLS. Do I understand my friend, the gentleman from Texas, to say then that you cannot get more reductions in conference? Really, we are faced here with the proposition of \$2.6 billion of additional savings that we can accomplish by an affirmative vote. Whereas there is great risk in not accomplishing this reduction if you are sent back to conference; is that what the gentleman is saying?

Mr. MAHON. The gentleman has analyzed the situation with absolute accuracy in my opinion.

Mr. MILLS. I have it clear in my own mind that if the gentleman has to go back to conference, with all of the appropriation bills finally completed, the continuing resolution is no longer needed and you may not be able to even get an agreement from the Senate again for this amendment.

Mr. MAHON. I think the gentleman has wisely stated the situation.

Mr. MILLS. I am not casting any reflection upon the other body, of course.

Mr. MAHON. That is right, but we have a chance now to make a reduction. Some Members say that this is to some extent agreeing with the Director of the Bureau of the Budget. I am pretty well willing to agree with almost anyone who is willing to make a reduction at a time when we are threatened with such a heavy deficit and I think that is the gentleman's position.

Mr. MILLS. The gentleman does feel that the administration needs this authority to make these reductions; is that right?

Mr. MAHON. I think the Congress should maintain its control over the purse insofar as possible. The pending resolution is a step in the right direction.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. BOLAND], an able member of the Committee on Appropriations.

Mr. BOLAND. Mr. Speaker, I have only one comment to make and it is with reference to a comment made by the distinguished gentleman from Ohio [Mr. Bow]. I, like all the other Members here, am willing to pay him a compliment for what he has done. I think he has generated a great deal of concern for economy.

The gentleman made a statement that the conferees did not fight very well. I hope he will not leave the RECORD stand that way. We have been in conference

some seven times. I think for periods from 1 to 2 hours. The gentleman knows what the attitude of some of the Members of the other body was. They were rather resolute and emphatic in their outlook on the Bow amendment, the Whitten amendment, and all other amendments that were attached to the continuing resolution. There was not a chance in the world of the other body or the Senate conferees accepting the continuing resolution that the House passed. I think the RECORD ought to spell that out.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I am glad to yield to the gentleman from Ohio.

Mr. BOW. I must differ with my friend from Massachusetts. I am not convinced that at one time the Senate was not getting ready to yield. There were certain Senators who said they were willing to go along, at least in conversations with me. Then we did not meet for a period of 3 weeks after that one conference when they began to show some softening in their attitude toward the expenditure limitation. I do not agree with the gentleman. I believe that if we had stayed with it and kept working on it, instead of discussing other subjects—there was very little discussion about the spending limitation; it was more on other subjects—we might have come to agreement.

Mr. BOLAND. Mr. Speaker, I recall one heated session at which the gentleman from Ohio was seated next to a Member of the other body. I thought we would never get out of that meeting. If you did have some information from a Member of the other body, it must have been from among those who serve in the minority. The majority of the conferees in the other body, were completely opposed to the Bow amendment.

Mr. MAHON. It has been said that a vote for the proposal of the gentleman from Ohio [Mr. Bow] is a vote for economy and that a contrary vote is a vote for spending. In my judgment this assumption is 100 percent wrong. This would not be the effect of the approval of the proposal of the gentleman from Ohio. It took weeks to achieve the pending compromise proposal. A further conference with the other body would lead to a deadlock. The chance of getting anything out of a further conference toward greater economy to me seems nonexistent. We are not dealing with theory and philosophy. We are dealing with the cold legislative facts of life.

It is certainly correct to say that a vote for the position of the conferees is a vote for saving. It is a vote for real economy. It is not only economy but it is economy directed by the House of Representatives and by the Senate. It is something that can be achieved, not something just to be hoped for.

No one is infallible. The gentleman from Ohio [Mr. Bow] said in the House on October 18 that the expenditure figure for the year should be \$131 billion-plus. In his proposal today he in effect admits that he was in error at that time in the sum of \$3 billion.

It is perfectly obvious to me that if we are going to adjourn this Congress



before the 1st of January and if we want further economies, this is the time to get them and here is the method and the time for Members to get on the dotted line for economy or against it.

If one votes to send this resolution back to conference, he is in effect voting to bury a measure of great economy significance. This would be a setback to the cause of economy and congressional control of the purse.

I would like to include in the RECORD at this point an excerpt from the statement of the managers which summarizes the many difficulties encountered in handling the continuing resolutions and economy proposals during the past few months:

Two continuing resolutions (H.J. Res. 652 and H.J. Res. 804) making interim appropriations for July-August, and for September, for agencies of government for which regular 1968 appropriation bills had not been enacted were processed through Congress without event.

On September 27, however, by a record vote of 202 yeas to 181 nays, the House recommitted (without specific instructions) the October continuing resolution (H.J. Res. 849, H. Rept. 708). This recommitment action was a manifestation of desire in the House for further economies beyond the multi-billion dollar reductions already made—and in prospect—in the 15 appropriation bills.

On October 3, the House adopted House Joint Resolution 853 (H. Rept. 724) which provided for the extension of the continuing resolution expiration date to October 10 in lieu of October 31. On October 4, the Senate adopted House Joint Resolution 853, amended to extend the date through October 23, and on the same day the House agreed to the Senate amendment and the resolution was enacted into law.

On October 16, the Committee on Appropriations of the House, after considerable study of possible courses of action in response to the desires manifested by the House in recommitting the earlier resolution on September 27, reported House Joint Resolution 888 (H. Rept. 785) which proposed to extend the date another 30 days—to November 23. It also included language—

To temporarily curtail (for 30 days) the incurring of obligations for new construction, research, demonstration, training, service, and similar activities not directly related to the military effort in Southeast Asia.

To reduce by 5 percent the funds for civilian personnel, and require that all amounts withheld pursuant to the above requirements be rescinded.

To reduce by 10 percent the funds for research and development, accompanied by rescission language.

To so adjust program obligation schedules as to permit complete absorption of the civilian pay increase that the House had recently voted.

It was estimated to reduce budgeted expenditures by about \$1.5 billion, or something in that area, in fiscal 1968, in addition to the estimated fiscal 1968 expenditure reduction approaching \$2 billion as a result of actions in the 15 appropriation bills enacted or to be enacted for 1968.

On October 18, by record vote of 239 to 164, the House substituted for the committee propositions (except for the date of November 23) an amendment intended to hold expenditures—by each department and agency—to the 1967 level (with a number of major exceptions). Appended to the amendment was an overall ceiling of \$131.5 billion on net administrative budget expenditures for fiscal 1968 except for those relating to our military effort in Southeast Asia. Also, a temporary obligation rate of not to exceed

\$2 billion for the foreign assistance program was added, as was a \$1.2 billion temporary obligation rate for the antipoverty program.

The best calculations available indicate that under the provisions of the resolution as passed by the House, fiscal 1968 budgeted expenditures would be reduced by roughly \$7 billion, gross, against which would be offset the 1968 expenditure value—estimated at close to \$2 billion—that would result from appropriation bill reduction actions made or expected to be made. Thus the net additional spending reduction that would have resulted was calculated at approximately \$5 billion. This was not a rescission of funds, but rather to some degree a postponement or deferral through limitations on department and agency spending during fiscal 1968.

On October 20, the Senate Committee on Appropriations reported House Joint Resolution 888, trimming the expiration date back to November 15 (amendment No. 1), and striking all of the House provisions relating to reduced expenditures, the expenditure ceiling, and temporary obligation rates. On October 25, the Senate passed House Joint Resolution 888 as reported, by record vote 59 to 26, after rejecting various floor amendments.

The conferees on House Joint Resolution 888 have met a total of six times since late October. Due to the extremely complex and controversial nature of broad reduction propositions, and in view of the fact that it is closely related to the administration's pending tax surcharge proposals, the conferees have experienced great difficulty in arriving at a final compromise. The managers on the part of the House were committed to further expenditure reductions. The Senate conferees were governed somewhat by the rejection of such limitations during Senate consideration. The position of both sets of conferees was fully supported by strong votes by their respective bodies.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan [Mr. GERALD R. FORD].

Mr. GERALD R. FORD. Mr. Speaker, I know that if the House today voted to insist on the Bow amendment by defeating the previous question, and if the chairman of the great Committee on Appropriations went back to conference with the other body and was as vigorous in such a conference in insisting on the House position as he has been here today condemning the House position of October 18, I know the House would prevail and we would save \$1,600,000,000.

Mr. MAHON. Mr. Speaker, the gentleman from Michigan, in his position as minority leader, does not frequently go to conference with the other body, and he does not know just how difficult it is to get concurrence by the other body. I speak as one who has been in conference with the other body on more than a dozen major bills at this session. I welcome the support of my friend from Ohio on the reductions which are proposed by the Appropriations Committee. He just is in favor of making other reductions and I along with many other Members favor further reductions where possible. Let us recall the fable, in the incident about the dog, where the dog while crossing the water with a bone in his mouth saw what he thought was a larger bone, which was an image in the water, and dropped the bone he had and got nothing. Let us go back to Aesop and get our thinking straight. Let us not be found empty handed, when we complete action on the resolution today, which a majority of the

conferees propose, but let us take this \$4 billion reduction in spending home as a Christmas present to our constituents.

Mr. Speaker, I move the previous question.

The SPEAKER. The question is on ordering the previous question.

Mr. BOW. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. RYAN. Mr. Speaker, I was interested in the colloquy between the distinguished chairman of the Committee on Appropriations [Mr. MAHON] and the distinguished chairman of the Committee on Ways and Means [Mr. MILLS], for it made the issues very clear.

The chairman of the Committee on Appropriations said that there is now no real excuse for a continuing resolution—inasmuch as the two remaining appropriation bills will be brought up this week—and that sending the resolution back to conference will kill it—inasmuch as the Senate conferees are not expected to accept any further reductions in expenditures.

Since there is no longer any necessity during this session for action on a continuing resolution, and since I am opposed to the further decimation of urgently needed domestic programs, I shall vote this afternoon on procedural motions in such a way as to enhance the chances of either killing the resolution or limiting its scope. If the previous question is defeated, then the resolution will be open to amendment—not only the amendment proposed today by the gentleman from Ohio [Mr. Bow], to which I am opposed in principle, but find tempting as a vehicle to kill the resolution since it is safe to assume the Senate conferees will not accept it, but it will also be open to other amendments which would liberalize the conference report.

Congress has already a reduced the fiscal year 1968 budget estimates by \$5 billion through cuts in appropriations, and this figure is expected to be \$6 billion after the antipoverty and foreign aid appropriations bills are passed.

The conference report proposes a further reduction in obligations to no less than \$9 billion below the President's budget requests, and a \$4 billion reduction in expenditures. This would be accomplished by forbidding any department or agency to incur obligations in excess of the lesser of either the amount available through appropriation acts or an amount determined by cutting the department or agency budget estimate by 2 percent for personnel compensation and 10 percent for programs.

I am unalterably opposed to such cutbacks. I pointed out in my remarks on the floor of the House on October 3 that Congress at that time had already cut spending \$4.265 billion below authorized levels in HEW and HUD alone. A 10-percent reduction in all major Federal programs will be devastating indeed.

It is obvious that the administration is supporting this conference report and the proposed reductions in order to lay the groundwork with the Committee on Ways and Means for the 10-percent surtax which is still pending. The resolution



seems to negate the argument of those who favor a surtax on the theory that it would make revenue available for domestic programs and to strengthen the argument of those who view the surtax as a war tax related to the \$30 billion cost of the Vietnam war this year.

Although Congress has delayed so long and created such havoc with the normal functioning of Government agencies, the conference report is, for all practical purposes, academic. It is assumed that OEO and AID will have their appropriation bills approved sometime this week. If not, this resolution is useless anyway since its authority expires on December 20 when, we are told, Congress will not be in session.

The practical utility of the resolution, therefore, depends on the desirability of the required cuts in Federal expenditures. While on paper this resolution requires a 2-percent cut in payroll and a 10-percent cut in programs, since the fiscal year is almost half over, and will be two-thirds or three-quarters over by the time these reductions are fully implemented, the cuts will be telescoped into the latter part of fiscal year 1968, creating additional problems.

There are strong economic arguments against this measure. Unemployment is up—to 4.3 percent, for the third month in a row. Nonwhite unemployment has jumped to 8.8 percent. Industrial production is down. The average workweek is down. The rise in the rediscount rate—undertaken to compensate for international pressures on the dollar—while undesirable internally, does provide a deflationary effect, one of the arguments used for a cut in spending. Further deflationary measures, such as pulling \$4.1 billion out of the economy may result in higher unemployment.

If a large deficit is feared, there are sounder and socially more equitable ways to increase revenue than to cut back important domestic programs. One way is through tax reform. It has been estimated that a sound tax reform package would yield some \$5 billion.

Today there is the paradox of growing unemployment and growing inflation, while major sectors of the economy show dangerous signs of slack. An analysis of the consumer price index shows that 25 percent of price rises can be accounted for by spiraling medical costs and rising interest rates—the high cost of borrowed money. A reduction in Government spending is unlikely to reduce medical costs, nor is it likely to affect the demand on the borrowed money market.

Companies with unprecedented profit levels are reacting to proportionally higher wages by passing wage increases along to the consumer through price increases. A reduction in Government spending would also have little effect on this problem.

It is worth repeating that the looming Federal deficit is caused principally by spending for the war in Vietnam. The war has become the cause, if not the excuse, for the gutting of domestic programs. If such high war spending continues and the accompanying deficit needs to be reduced, the necessary revenue should be raised by reforming the tax structure and closing tax loopholes,

which would pull out of the economy dollars which do not affect bread-and-butter purchasing power by low- and middle-income families.

The conference report should be examined in the light of the dubious wisdom of further gutting our domestic programs and the effect of this upon the crisis in our cities. By this test it should be defeated.

The question was taken; and there were—yeas 213, nays 183, not voting 36, as follows:

## [Roll No. 430]

## YEAS—213

Adams	Gettys	Nedzl
Addabbo	Gialmo	Nix
Albert	Gibbons	O'Hara, Ill.
Anderson, Tenn.	Gilbert	O'Hara, Mich.
Andrews, Ala.	Gonzalez	Olsen
Ashley	Gray	O'Neal, Ga.
Aspinall	Green, Oreg.	O'Neill, Mass.
Barrett	Green, Pa.	Passman
Bevill	Griffiths	Patman
Bingham	Hagan	Patten
Blanton	Halpern	Pepper
Blatnik	Hamilton	Perkins
Boggs	Hanley	Philbin
Boland	Hanna	Pickle
Brademas	Hansen, Wash.	Pike
Brasco	Hathaway	Poage
Brinkley	Hawkins	Price, Ill.
Brooks	Hays	Pryor
Brown, Calif.	Hébert	Pucinski
Burke, Mass.	Hechler, W. Va.	Purcell
Burleson	Hicks	Randall
Burton, Calif.	Hollifield	Rees
Byrne, Pa.	Holland	Reid, N.Y.
Cabell	Howard	Reuss
Carey	Hull	Rhodes, Pa.
Casey	Hungate	Roberts
Celler	Ichord	Rodino
Clark	Irwin	Rogers, Colo.
Cohelan	Jacobs	Ronan
Corman	Joelson	Rooney, N.Y.
Culver	Johnson, Calif.	Rooney, Pa.
Daddario	Jones, Ala.	Rosenthal
Daniels	Jones, Mo.	Rostenkowski
Davis, Ga.	Jones, N.C.	Roush
Dawson	Karsten	Roybal
de la Garza	Karth	St Germain
Delaney	Kazen	Scheuer
Dent	Kee	Selden
Diggs	Kelly	Shipley
Dingell	King, Calif.	Sikes
Donohue	Kirwan	Sisk
Dorn	Kluczynski	Slack
Dow	Kornegay	Smith, Iowa
Dowdy	Kupferman	Staggers
Downing	Kyl	Steed
Dulski	Kyros	Stevens
Eckhardt	Landrum	Stubblefield
Edmondson	Leggett	Stuckey
Edwards, Calif.	Long, La.	Sullivan
Edwards, La.	Long, Md.	Teague, Tex.
Eilberg	McCarthy	Tenzer
Evans, Colo.	McFall	Thompson, N.J.
Everett	McMillan	Tiernen
Evins, Tenn.	Machen	Tunney
Fallon	Madden	Udall
Farbstein	Mahon	Ullman
Fascell	Matsunaga	Van Deerlin
Feighan	Meeds	Vanik
Fisher	Miller, Calif.	Vigorito
Flood	Mills	Waggonner
Flynt	Minish	Waldie
Foley	Mink	Walker
Ford, William D.	Monagan	Watts
Fraser	Montgomery	White
Friedel	Moorhead	Whitener
Fulton, Tenn.	Morgan	Whitten
Fuqua	Morris, N. Mex.	Wilson,
Gallifanakis	Moss	Charles H.
Gallagher	Multer	Wright
Garmatz	Murphy, Ill.	Yates
	Murphy, N.Y.	Young
	Natcher	Zablocki

## NAYS—183

Abbott	Battin	Brotzman
Abernethy	Belcher	Brown, Mich.
Adair	Bennett	Brown, Ohio
Anderson, Ill.	Berry	Broyhill, N.C.
Andrews, N. Dak.	Betts	Broyhill, Va.
Arends	Blester	Buchanan
Ashbrook	Blackburn	Burke, Fla.
Ashmore	Bolton	Burton, Utah
Ayres	Bow	Bush
Baring	Bray	Button
	Brock	Byrnes, Wis.

Cahill	Jonas	Riegle
Cederberg	Kastenmeier	Robison
Chamberlain	Keith	Rogers, Fla.
Clancy	Kleppe	Roth
Clausen,	Laird	Roudebush
Don H.	Langen	Rumsfeld
Clawson, Del.	Latta	Ruppe
Cleveland	Lennon	Ryan
Collier	Lipson	Sandman
Colmer	Lloyd	Satterfield
Conable	McClary	Saylor
Conte	McClure	Schadberg
Conyers	McDade	Scherle
Corbett	McDonald,	Schneebeli
Cramer	Mich.	Schweiker
Cunningham	McEwen	Schwengel
Curtis	Macdonald,	Shriver
Davis, Wis.	Mass.	Skubitz
Dellenback	MacGregor	Smith, Calif.
Denney	Mailliard	Smith, N.Y.
Derwinski	Marsh	Smith, Okla.
Devine	Mathias, Calif.	Springer
Dole	May	Stafford
Duncan	Mayne	Stanton
Dwyer	Meskill	Steiger, Ariz.
Edwards, Ala.	Michel	Steiger, Wis.
Esch	Miller, Ohio	Taft
Eshleman	Minshall	Talcott
Findley	Mize	Taylor
Ford, Gerald R.	Moore	Teague, Calif.
Fulton, Pa.	Morse, Mass.	Thompson, Ga.
Gardner	Morton	Thomson, Wis.
Gathings	Mosher	Tuck
Goodell	Myers	Utt
Goodling	Nelsen	Vander Jagt
Gross	O'Konski	Wampler
Grover	Otinger	Watkins
Gubser	Pelly	Whalen
Gude	Pettis	Whalley
Gurney	Pirnie	Widnall
Haley	Poff	Wiggins
Hall	Pollock	Williams, Miss.
Hammer-	Pool	Williams, Pa.
schmidt	Price, Tex.	Wilson, Bob
Hansen, Idaho	Quie	Winn
Harvey	Quillen	Wolf
Helstoski	Railsback	Wyder
Horton	Rarick	Wylie
Hunt	Reld, Ill.	Wyman
Hutchinson	Relfel	Zion
Jarman	Reinecke	Zwack
Johnson, Pa.	Rhodes, Ariz.	

## NOT VOTING—36

Annunzio	Halleck	Martin
Bates	Hardy	Mathias, Md.
Bell	Harrison	Nichols
Bolling	Harsha	Resnick
Broomfield	Heckler, Mass.	Rivers
Carter	Henderson	St. Onge
Cowger	Herlong	Scott
Dickinson	Hosmer	Snyder
Erlenborn	King, N.Y.	Stratton
Fino	Kuykendall	Watson
Fountain	Lukens	Willis
Frelinghuysen	McCulloch	Wyatt

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Annunzio for, which Mr. Martin against.

Mr. St. Onge for, with Mr. Harrison against.

Mr. Fountain for, with Mr. King of New York against.

Mr. Willis for, with Mr. Hosmer against.

Mr. Henderson for, with Mr. Halleck against.

Mr. Stratton for, with Mr. Frelinghuysen against.

Mr. Resnick for, with Mr. Erlenborn against.

Mr. Nichols for, with Mr. Fino against.

Mr. Hardy for, with Mr. Dickinson against.

Mr. Rivers for, with Mr. Snyder against.

Mr. REIFEL changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

Mr. BOW. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.



The question was taken; and there were—yeas 366, nays 26, not voting 40, as follows:

[Roll No. 431]

YEAS—366

Abbutt	Eckhardt	Leggett
Abernethy	Edmondson	Lennon
Adair	Edwards, Ala.	Lipscomb
Adams	Edwards, La.	Lloyd
Addabbo	Eilberg	Long, La.
Albert	Esch	Long, Md.
Anderson, Ill.	Eshleman	McCarthy
Anderson, Tenn.	Evans, Colo.	McClory
Andrews, Ala.	Everett	McClure
Andrews, N. Dak.	Evins, Tenn.	McCulloch
Arends	Fallon	McDade
Ashley	Fascell	McDonald, Mich.
Ashmore	Feighan	McEwen
Aspinall	Findlay	McFall
Ayres	Fisher	McMillan
Baring	Flood	Macdonald, Mass.
Barrett	Flynt	MacGregor
Battin	Foley	Machen
Belcher	Ford, Gerald R.	Madden
Bennett	Fraser	Mahon
Berry	Friedel	Maillard
Betts	Fulton, Pa.	Marsh
Bevill	Fulton, Tenn.	Mathias, Calif.
Biester	Fuqua	May
Bingham	Galifianakis	Mayne
Blackburn	Gallagher	Meeds
Blanton	Gardner	Meskill
Blatnik	Garmatz	Miller, Calif.
Boggs	Gathings	Miller, Ohio
Boland	Gattys	Mills
Bolton	Gialmo	Minish
Bow	Gibbons	Minshall
Brademas	Gonzalez	Mize
Brasco	Goodell	Monagan
Bray	Gooding	Montgomery
Brinkley	Gray	Moore
Brock	Green, Oreg.	Moorhead
Brooks	Green, Pa.	Morgan
Brotzman	Griffiths	Morris, N. Mex.
Brown, Calif.	Gross	Morse, Mass.
Brown, Mich.	Grover	Morton
Brown, Ohio	Gubser	Mosher
Broyhill, N.C.	Gude	Murphy, Ill.
Broyhill, Va.	Gurney	Murphy, N.Y.
Buchanan	Hagan	Myers
Burke, Fla.	Haley	Natcher
Burke, Mass.	Hall	Nelsen
Burleson	Halpern	Nix
Burton, Utah	Hamilton	O'Hara, Ill.
Bush	Hammer-	O'Hara, Mich.
Byrne, Pa.	schmidt	Olsen
Byrnes, Wis.	Hanley	O'Neal, Ga.
Cabell	Hanna	Ottinger
Cahill	Hansen, Idaho	Passman
Carey	Hansen, Wash.	Patman
Casey	Harvey	Patten
Cederberg	Hathaway	Pelly
Celler	Hays	Pepper
Chamberlain	Hébert	Perkins
Clancy	Hechler, W. Va.	Pettis
Clark	Hicks	Philbin
Clausen,	Holifield	Pickle
Don H.	Holland	Pike
Clawson, Del.	Horton	Pirnie
Cleveland	Howard	Poage
Collier	Hull	Poff
Colmer	Hungate	Pollock
Conable	Hunt	Pool
Conte	Hutchinson	Price, Ill.
Corbett	Ichord	Price, Tex.
Corman	Irwin	Pryor
Cramer	Jacobs	Pucinski
Culver	Jarman	Purcell
Cunningham	Joelson	Quile
Curtis	Johnson, Calif.	Quillen
Daddario	Johnson, Pa.	Railsback
Daniels	Jonas	Randall
Davis, Ga.	Jones, Ala.	Rarick
Davis, Wis.	Jones, Mo.	Reid, Ill.
Dawson	Jones, N.C.	Reid, N.Y.
de la Garza	Karsten	Reifel
Delaney	Karth	Reinecke
Dellenback	Kazen	Rhodes, Ariz.
Denney	Kee	Rhodes, Pa.
Dent	Keith	Riegle
Derwinski	Kelly	Roberts
Devine	King, Calif.	Robison
Dole	Kirwan	Rodino
Donohue	Kleppe	Rogers, Colo.
Dorn	Kluczynski	Rogers, Fla.
Dow	Kornegay	Ronan
Dowdy	Kupferman	Rooney, N.Y.
Downing	Kyl	Rooney, Pa.
Dulski	Kyros	Rostenkowski
Duncan	Laird	Roth
Dwyer	Landrum	Roudebush
	Langen	
	Latta	

Roush  
Rumsfeld  
Ruppe  
St Germain  
Sandman  
Satterfield  
Saylor  
Schadeberg  
Scherle  
Schneebell  
Schweiker  
Schwengel  
Scott  
Selden  
Shipley  
Shriver  
Sikes  
Sisk  
Skubitz  
Slack  
Smith, Calif.  
Smith, Iowa  
Smith, N.Y.  
Smith, Okla.  
Springer  
Stafford  
Staggers

Stanton  
Steed  
Steiger, Ariz.  
Steiger, Wis.  
Stephens  
Stubblefield  
Stuckey  
Sullivan  
Taft  
Talcott  
Taylor  
Teague, Calif.  
Teague, Tex.  
Tenzer  
Thompson, Ga.  
Thompson, N.J.  
Thomson, Wis.  
Tiernan  
Tuck  
Tunney  
Udall  
Utt  
Van Deerlin  
Vander Jagt  
Vanik  
Vigorito  
Waggonner

Waldie  
Walker  
Wampler  
Watkins  
Watts  
Whalen  
Whalley  
White  
Whitener  
Whitten  
Widnall  
Wiggins  
Williams, Miss.  
Williams, Pa.  
Willson, Bob  
Winn  
Wolff  
Wright  
Wydlar  
Wyllie  
Wyman  
Young  
Zablocki  
Zion  
Zwach

NAYS—26

Ashbrook  
Burton, Calif.  
Cohelan  
Conyers  
Diggs  
Dingell  
Edwards, Calif.  
Farbstein  
Ford  
William D.

Gilbert  
Hawkins  
Helstoski  
Kastenmeier  
Michel  
Mink  
Moss  
Nedzi  
O'Konski  
Rees

Reuss  
Rosenthal  
Roybal  
Ryan  
Scheuer  
Wilson,  
Charles H.  
Yates

NOT VOTING—40

Annunzio  
Bates  
Bell  
Bolling  
Broomfield  
Button  
Carter  
Cowger  
Dickinson  
Erlenborn  
Fino  
Fountain  
Frelinghuysen

Halleck  
Hardy  
Harrison  
Harsha  
Heckler, Mass.  
Henderson  
Herlong  
Hosmer  
King, N.Y.  
Kuykendall  
Lukens  
Martin  
Mathias, Md.

Matsunaga  
Multer  
Nichols  
O'Neill, Mass.  
Resnick  
Rivers  
St. Onge  
Snyder  
Stratton  
Ullman  
Watson  
Willis  
Wyatt

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Halleck.  
Mr. St. Onge with Mr. Bates.  
Mr. Fountain with Mr. Frelinghuysen.  
Mr. Willis with Mr. Snyder.  
Mr. Hardy with Mr. Harrison.  
Mr. Nichols with Mr. Martin.  
Mr. Resnick with Mr. Cowger.  
Mr. Henderson with Mr. Fino.  
Mr. Herlong with Mr. Carter.  
Mr. Stratton with Mr. Erlenborn.  
Mr. Hicks with Mr. Wyatt.  
Mr. Rivers with Mr. Broomfield.  
Mr. Matsunaga with Mr. Kuykendall.  
Mr. Multer with Mr. King of New York.  
Mr. O'Neill of Massachusetts with Mr. Hosmer.  
Mr. Ullman with Mr. Harsha.

Mr. FARBSTEIN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on House Joint Resolution 888.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### CORRECTION OF THE RECORD

Mr. MAHON. Mr. Speaker, I ask unanimous consent to correct the RECORD on several printing errors contained in the statement of the managers which accompanies the conference report on the continuing resolution (H.J. Res. 888) as it appears in the CONGRESSIONAL RECORD of December 7, 1967.

I ask unanimous consent to correct the permanent RECORD in three instances:

First. In the center column on page 16458, the first paragraph under amendment No. 2, change "fiscal year 1966" to "fiscal year 1968".

Second. In the third column on page 16459, under section 202(a)(2), change the second subsection to read "(ii) 10 percent of the amount included in such estimates for objects other than personnel compensation and benefits."

Third. Delete the last sentence of section 205 appearing at the bottom of page 16459 and the top of page 16460 which begins with the word "Nothing" and ends with the word "Congress."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I was not able to follow the gentleman, but I understood by his remarks that a statement that was in the text of the statement on the part of the managers was included as though it were a part of the bill. Now the gentleman has taken out the statement, and would he be restoring it as part of the statement on the part of the managers?

Mr. MAHON. In answer to the gentleman's inquiry, I would answer, Yes, there was a printing error.

Mr. WHITTEN. I just wanted to be sure that it was not stricken out of one place without being added in the other.

I thank the gentleman for yielding.

#### CORRECTION OF VOTE

Mr. HALPERN. Mr. Speaker, on roll-call No. 429, I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

#### POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967—CONFERENCE REPORT

Mr. DULSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.



The Clerk read the title of the bill.

The SPEAKER. For what purpose does the gentleman from Iowa [Mr. GROSS] rise?

Mr. GROSS. Mr. Speaker, I desire to submit a point of order against the conference report.

The SPEAKER. The gentleman will state his point of order.

Mr. GROSS. Mr. Speaker, I make a point of order against the conference report on the grounds that the House managers exceeded their authority and did not confine themselves to the differences committed to them, in violation of the rules and precedents of the House of Representatives.

The House bill, in section 107(a) provided a minimum charge of 3.8 cents for bulk third-class mail effective January 7, 1968. Section 107(a) of the Senate amendment provided a two-step minimum charge—the first of 3.6 cents effective January 7, 1968, and a second 4-cent rate effective January 1, 1969.

The differences committed to the conferees with respect to this postage rate and the effective dates for this rate were: A rate range between 3.6 cents and 4 cents; a January 7, 1968, effective date for a one-rate charge with no further rate provided; and January 7, 1968, and January 1, 1969, effective dates for any two-rate charges.

The conference report contains a two-rate charge—the first, 3.6 cents, effective January 7, 1968; the second, 4 cents, effective July 1, 1969.

The July 1, 1969, effective date for a second rate goes beyond the disagreements confided to the conferees. By agreeing to any effective date for a second rate beyond January 1, 1969, the House managers have clearly exceeded their authority.

Mr. Speaker, the precedents of the House, Cannon's Precedents, volume VIII, section 3264, have established that where two Houses fix different periods of time the conferees have latitude only between the two, but may not go beyond the longer nor within the shorter.

On March 2, 1915—third session, 53d Congress—CONGRESSIONAL RECORD, page 5208, the conference report was presented on S. 5259, to establish mail lines with foreign countries and known as the ship purchase bill.

Mr. Mann raised a point of order against the conference report on the grounds that it contained certain matter not properly before the conferees.

As passed by the Senate the bill would have gone into effect immediately.

As passed by the House, the bill contained an effective date of 2 years after passage.

The conference report provided an effective date of 3 years after passage.

Speaker Clark of Missouri sustained the point of order by stating:

If there is anything settled about a conference between the two Houses it is this: Where two amounts are named, and the question is referred to Conferees, they may oscillate as much as they please between the two extremes, but they cannot go below the lower amount and they cannot go above the higher.

But the limit of time was fixed at two years, and the Conferees extended it to three years. If they could extend it beyond two

years, they could extend it until the end of time. Their limit was from zero to two. In the nature of things they could not go below zero; under the practice of the Houses they could not go higher.

The Chair sustains the point of order.

Rule 28, clause 3 of the Rules of the House reads:

Whenever a disagreement to an amendment in the nature of a substitute has been committed to a conference committee it shall be in order for the Managers on the part of the House to propose a substitute which is a germane modification of the matter in disagreement, but their report shall not include matter not committed to the conference committee by either House.

The Senate bill was an amendment—in the nature of a substitute for the House bill. The conference report is an additional substitute on the same subject. However, the conference report distinctly includes matter not committed to the conferees by either House, and I make the point of order on that basis.

Mr. Speaker, this conference report is another case where expediency has been given priority over the rules and precedents of this House and over orderly procedures. I cannot, in good conscience, participate in such maneuverings and, therefore, make the point of order on that basis only.

The SPEAKER. Does the gentleman from New York desire to be heard on the point of order?

Mr. DULSKI. Mr. Speaker, I concede the point of order.

The SPEAKER. The Chair sustains the point of order.

The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That this Act may be cited as the 'Postal Revenue and Federal Salary Act of 1967'.

#### "TITLE I—POSTAL RATES

##### "FIRST-CLASS MAIL

"SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb. ....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs. ....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs. ....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs. ....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs. ....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs. ....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs. ....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs. ....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs. ....	2.60	2.75	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3. ....	\$0.48
Zone 4. ....	.50
Zone 5. ....	.56
Zone 6. ....	.64
Zone 7. ....	.72
Zone 8. ....	.80.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

"(b) Section 4251(a) of title 39, United States Code, is amended by striking out 'and (4)' and inserting in lieu thereof '(4) bills and statements of account, and (5)'.

"(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

"(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"'4252. Weight limit.'

and inserting in lieu thereof—

"'4252. Size and weight limits'.

##### "AIRMAIL

"SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents.

"(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb. ....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs. ....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs. ....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs. ....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs. ....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs. ....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs. ....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs. ....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs. ....	2.60	2.75	3.02	3.39	3.71	4.08

"(2) by deleting paragraph (2).

"(c) Section 4303(f) of title 39, United States Code, is amended by striking out 'the Virgin Islands or the Canal Zone' wherever appearing therein and inserting in lieu thereof 'or the Virgin Islands'.

"(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word 'eight' and inserting in lieu thereof the figure '7'.











# **DIGEST** of Congressional Proceedings

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D. C. 20250  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(FOR INFORMATION ONLY;  
NOT TO BE QUOTED OR CITED)

Issued December 13, 1967  
For actions of December 12, 1967  
90th-1st; No. 203

### CONTENTS

Administrative procedures.....29	General Counsel.....4	Postal rates.....2
Advisory committee.....20	Housing.....30	Poverty.....13,25
Air pollution.....27	Lands.....13,20	Publicity.....18
Appalachia.....13	Legislative accomplishments.....22	Research.....13
Appropriations.....1,13	Legislative program.....20	Social security.....10
Budget.....15	Meat inspection.....9	Supergrades.....12
Cattle industry.....17	Migrant farmers.....6	Supplemental appropriations.....13
Education.....5,19	Natural resources.....31	Taxation.....28
Electrification.....31	Nomination.....4	Textile imports.....32
Farm labor.....6,14,23	Older Americans.....7	Urban development.....21
Farm program.....16	Pay raise.....2	Water pollution.....3
Foreign aid.....26	Personnel.....2,12	Wheat.....20,24
Foreign trade.....8,32	Population explosion....11	

**HIGHLIGHTS:** Senate agreed to conference versions of pay-raise and postal rate bill and continuing appropriations measure. House passed supplemental appropriation bill. Senate received Shulman nomination to be USDA General Counsel. Sens. Dirksen and Long, Mo., introduced and discussed bills to amend Administrative Procedure Act.

### SENATE

- 1. APPROPRIATIONS.** By a 74-0 vote, agreed to the conference version of H. J. Res. 888, the continuing appropriations measure (see Digest 200 for provisions). This measure will now be sent to the President. pp. S18429-43
- 2. PAY RAISE; POSTAL RATES.** By a 72-0 vote, agreed to the conference report on H. R. 7977, the pay-raise and postal-rates bill. This bill will now be sent to the President. pp. S18406-26



3. WATER POLLUTION. Passed without amendment S. 2760, to amend the Federal Water Pollution Control Act to authorize research and demonstration programs for the control of lake pollution and acid and other mine water drainage, and to prevent pollution of water by oil. pp. S18448-54
4. NOMINATION. Received the nomination of Edward M. Shulman to be General Counsel of this Department, vice John C. Bagwell. p. S18477
5. EDUCATION. Conferees were appointed on H. R. 7819, the elementary and secondary education bill (p. S18378). House conferees have been appointed.
6. MIGRANT FARMERS. Sen. Williams, N. J., urged the extension and expansion of the migrant farmers' health program. pp. S18472-3
7. OLDER AMERICANS. Sen. Nelson inserted several resolutions, which include several items of interest to this Department, passed by the Allied Council of Senior Citizens of Wis. pp. S18404-6
8. FOREIGN TRADE. Sen. Dirksen criticized the Department of Commerce's method of computing and reporting balance-of-trade statistics. pp. S18456-7
9. MEAT INSPECTION. Sen. Mondale inserted a telegram in support of the meat inspection program. pp. S18461-4
10. SOCIAL SECURITY. Sen. Metcalf inserted several letters and articles in opposition to the conference report on H. R. 12080, the social security bill. pp. S18464-6
11. POPULATION EXPLOSION. Sen. Yarborough spoke in favor of S. 1676, to coordinate and disseminate birth-control information upon request at home and abroad, and inserted several articles on this subject. pp. S18467-70
12. PERSONNEL. Passed as reported H. R. 1411, which includes a committee amendment to provide 129 additional positions at grades GS-16, GS-17, and GS-18 to meet certain emergency needs of several executive agencies. The committee report indicates that the majority of these new positions would be in the Departments of Transportation, HEW, and HUD. However, the report states, "The committee believes that the Commissioners should give very careful consideration to the needs of all other executive agencies, particularly those with new or substantially expanded programs, and with particular reference to the Department of Agriculture, the Post Office Department, the Veterans' Administration, and the Bureau of the Budget." (Dec. 11, pp. S18359-60)

HOUSE

13. APPROPRIATIONS. Passed, 307-77, as reported earlier in the day (H. Rept. 1037), H. R. 14397, making supplemental appropriations for fiscal year 1968. The bill includes items for the Appalachia program, the poverty program, saline-water research, and the Public Land Law Review Commission. pp. H16806, H16718-25
14. FARM LABOR. A subcommittee of the Education and Labor Committee approved for full committee action H. R. 4769, amended, to make the National Labor Relations Act applicable to agriculture. p. D1121



Thus, it is apparent that the manufacturers of shoe repair equipment and machinery, and the leather finders who serve as jobbers and wholesalers to this industry, have kept pace with the shopowner's efforts to serve the growing American public. There has been progress.

Today, the shoe repair industry is marked by innovations in midcity and suburban shopping areas. Individual shopowners have modernized, and brightened their shops, and aligned themselves with the forces of renewal that are reshaping our country.

In view of their valued and respected services, it is not surprising that many of our American shoe repair shops are manned by second- and third-generation shoe repairmen.

The dynamics of American commercial and industrial development, however, have exerted a strong pull on men and women, away from this work.

Through a concerted program of action the shoe repairmen plan to stress the benefits inherent in their craft, retain present personnel, and to attract newcomers. Their accomplishments, plans, and future purposes are a vital sector of our personal-services industry.

#### CONTINUING APPROPRIATIONS JOINT RESOLUTION—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 888) making continuing appropriations for the fiscal year 1968, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

(For conference report, see House proceedings of December 7, 1967, p. H16458, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 888.

The PRESIDING OFFICER. The Chair lays before the Senate the message from the House of Representatives, which the clerk will state.

The legislative clerk read as follows:

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the resolution (H.J. Res. 888) entitled "Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes", and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "December 20, 1967".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid resolution and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

#### "TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

"SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than \$9 billion and \$4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

"SEC. 202. (a) During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

"(1) the aggregate amount available to each such department or agency as obligatory authority in the fiscal year 1968 through appropriation acts or other laws, or

"(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

"(i) 2 percent of the amount included in such estimate for personnel compensation and benefits, plus

"(ii) 10 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

"(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

"(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document Numbered 16, Ninetieth Congress, first session), as amended during the first session of the Ninetieth Congress.

"SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading 'relatively uncontrollable' in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

"(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided*, That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

"SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a)(2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by

that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

"SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

"SEC. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a)(2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress."

Mr. HOLLAND. Mr. President, I yield first to my distinguished chairman, the senior Senator from Arizona.

Mr. HAYDEN. Mr. President, I wish to make a few explanatory remarks about the new version of House Joint Resolution 888, the continuing resolution, which the conference committee has agreed to.

Title I sets the expiration date as December 20, 1967, for the continuing resolution. It is to be hoped that Congress will have adjourned by that time with all appropriations bills having been passed.

Title II deals with reductions in Federal expenditures, and it is on this part of the resolution that I wish to speak, since it is of considerable importance.

#### NEED FOR BUDGET REDUCTION

It was generally agreed that a reduction in Federal expenditures is necessary for a number of reasons:

First, we must attempt to reduce the large budget deficit which is now being forecast.

Second, we must try to put a brake on economic inflation, which continues to mount.

Third, we must attempt to decrease the pressure on interest rates, which comes from heavy Federal and private borrowing.

And fourth, we must try to improve international confidence in the strength of the American dollar. The Senate conferees believe that the resolution adopted by the conference committee will help to meet all of these objectives. It is backed by the Senate conferees of both parties, and has been agreed to by the House.

#### IMPORTANT ASPECTS OF THE RESOLUTION

Briefly, the continuing resolution provides as follows:

That each civilian agency reduce its obligations by an amount equal to 2 percent of payroll and 10 percent of other controllable obligations.

The the Department of Defense reduce its obligations by an amount equal to 10 percent of its programs outside of Vietnam.

That wherever the Congress has reduced the appropriations by more than the amounts required by the 2 and 10 percent formula, the congressional reduction will prevail.

Finally, that the President, when he deems it vital to the national interest or



national security, may modify the required reductions up to a maximum of \$300 million.

#### OBLIGATION REDUCTION RATHER THAN EXPENDITURE LIMITATION

I should like to emphasize several features of the resolution which are of particular significance.

First of all, the resolution requires that reductions will be made in the obligations of Federal agencies, rather than in their expenditures. This is in line with previous Senate action in refusing to accept a reduction based on expenditures. It is believed that reductions based on obligations are a better method to make cuts, since expenditures result from, and come after, obligations. The Government obligates itself when it hires a man to do a job; only after he has accomplished the work is the money expended. Once an obligation has been made, an expenditure will inevitably result. Therefore, to meet a payroll or fulfill a contract, the Government must pay its obligations. By reducing obligations rather than expenditures, we turn off the car's motor rather than try to put up barricades in the road.

It is estimated that the proposed action will reduce expenditures in fiscal year 1968 by \$4.1 billion. There may be Members present who conscientiously believe that the resolution does not go far enough in this respect, that we should have greater reductions. But consider one thing. The present fiscal year, which began last July 1, is now almost half over. In order to make the total proposed reduction of \$4.1 billion in expenditures, the agencies of the Government will have to reduce the level of obligations for the year by an estimated \$9.1 billion. This is a very substantial cut, and it will have a significant impact on Government programs.

#### CONTROLLABLE OBLIGATIONS CUT

Another important point in regard to the resolution is that it covers only the controllable obligations of the civilian Government agencies. It does not include those programs under which payments are virtually fixed by statutory formula. These include interest on the public debt, veterans' pensions, public assistance, and farm price supports. To my way of thinking this is a sound approach. Many of these items are legal and moral obligations of the Government. To place a limitation on these would require a change in the basic authorizing legislation or an attempt to estimate the level of uncontrollable expenditures. The first of these would be difficult if not impossible to accomplish within the time available. And the second would at best be guesswork involving factors over which the Federal Government has no control. Therefore, I believe that the exclusion of uncontrollable obligations is the only sensible procedure to follow.

#### FLEXIBILITY OF RESOLUTION

There is a third important point in regard to the resolution and that is its flexibility. Each agency is required to make specified overall reductions, based on percentage cuts. But the reductions need not be applied uniformly throughout the controllable programs within the agency. In fact, it is expected that care-

ful consideration will be given to basic needs and priorities in allocating the reductions. To add to this flexibility, the resolution gives the President a \$300 million waiver authority to cope with any unforeseeable problems that may arise. We believe that with these two tools, the President and the agencies can solve any problems short of a national crisis, which would require congressional action anyway.

#### DISADVANTAGES OF EXPENDITURE CEILING

As you know, there was some sentiment in the other body for a fixed statutory limitation on expenditures for fiscal year 1968. The figure of \$134.6 billion has been mentioned. But I believe that such action would eliminate practically all the advantages of the resolution as agreed to by the conferees and at the same time would jeopardize the orderly continuation of agency functions. There are several reasons for this.

One reason is that if spending on uncontrollable items were to increase over current estimates, it would be necessary to make deeper and deeper cuts in the controllable items in order to stay within the expenditure ceiling. Areas which would be affected would be in public services and in personnel, and might well include such matters as aids to elementary and secondary education, health research, hospital construction, water and sewer grants, and loans to small business and to rural electrification co-ops. As a result, such programs could suffer crippling cuts.

Another reason is that, in order to make an additional \$1.6 billion reduction in spending, a further cut of \$3½ billion in obligations would have to be made in the remainder of this fiscal year. At this time in the year, such action would make adjustments within agencies that much more difficult.

Moreover, by placing a fixed ceiling on expenditures, we would remove the flexibility that the President and the agencies need in order to operate in an orderly manner, particularly in the event of unpredictable emergencies, and certainly since we are so far advanced into the fiscal year.

#### CONCLUSION

Thus the advantages of a somewhat larger reduction as a result of an expenditure ceiling are far outweighed by the many disadvantages. The method which we present to you represents a sensible approach to our objective, which is to cut the budget. It is reasonable in size for the time period involved. It is workable. It has the approval of the administration. I hope that the Senate will support the passage of the resolution before you.

Mr. HOLLAND. Mr. President, first I want to call the Members' attention to the wording in the conference report that indicates that the committee of conference was not able to reach an agreement. While this is technically true under a strict interpretation of the rules of the other body, it is not the actual case. The conferees did reach an actual agreement, which was not within the strict purview of either the House resolution or the Senate resolution, and the con-

ference report was signed by all of the Senate conferees who were present and all of the majority party conferees on the part of the House.

Mr. President, I am authorized by the distinguished senior Senator from Georgia [Mr. RUSSELL] who could not be present at the time of the conference to say that he, too, would have signed the conference report had he been there, and he wanted the Senate to be advised of that fact.

The report had to be handled in this fashion in order to comply with the House rules and allow the matter to be reported in technical disagreement. At the appropriate time, I will make the necessary motions in order that the Senate may vote on the agreements actually reached by the conference committee.

The conferees agreed to an extension of the existing authority under the continuing resolution to December 20, 1967, on the assumption that the Congress will have completed all its work on appropriation bills and adjourned sine die by that date. This matter is covered in Senate amendment No. 1, and I do not think that there will be any long discussion on this particular point, since I am sure that all Senators want the Federal payrolls and other commitments to be promptly met.

It will be recalled that when House Joint Resolution 888 passed the other body, it not only provided for an extension of the authority under the existing continuing resolution, but also included several provisions making substantial reductions in expenditures for fiscal year 1968. I repeat that included several provisions making substantial reductions in expenditures rather than reductions in appropriations.

One of these provisions—the so-called Whitten amendment—was designed to hold fiscal year 1968 expenditures to fiscal 1967 levels, with certain exceptions. It is estimated that this provision would have made a reduction of approximately \$7 billion in fiscal 1968 expenditures.

The resolution, as it passed the House, also included a provision, known as the Bow amendment, that imposed an overall ceiling of \$131.5 billion on fiscal year 1968 expenditures.

The resolution also included provisions establishing new rates of obligations under the continuing resolution for the Office of Economic Opportunity and programs funded under the Foreign Assistance Appropriation Act, neither of which has to be considered at this time.

After 2 days of hearings and prolonged discussion in the Committee on Appropriations, the committee recommended that the resolution be amended as follows: First, to extend the authority under the existing continuing resolution until November 15 in lieu of the date of November 23 in the House version of the bill; and, second, to delete all other provisions in the House resolution. This amended resolution was considered in the Senate on October 25 and was passed as reported by the committee.

The resolution was then referred to a committee of conference to reconcile the differences between the two bodies. This



conference committee then met five times and could not reach an agreement.

The real problem in this conference concerned those provisions calling for expenditure reductions, that is, the Whitten and the Bow amendments, and not the matter of a date for the extension of the continuing resolution.

On November 29, the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Chairman of the Board of Governors of the Federal Reserve System appeared before the Ways and Means Committee of the House of Representatives and presented a plan that was designed to increase taxes and reduce expenditures. We all know that a decision was reached by the Ways and Means Committee not to report a tax bill during this session. However, that decision did not go to those provisions in the proposal pertaining to the reduction of obligations and expenditures for fiscal 1968. In fact, the chairman of the Ways and Means Committee announced that those matters properly went to the Appropriations Committees of the two Houses.

The conference committee met on December 6 and agreed to include in House Joint Resolution 888, with some modifications, the expenditure reduction provisions included in the administration's proposal in lieu of the House provisions in that resolution pertaining to the reduction of expenditures for fiscal 1968. This proposal has been approved by the other body on a rollcall vote yesterday of 366 to 26.

At this time, I should like to take a few minutes to explain the proposal recommended by the conference committee. Each department and agency of the executive branch of the Government would be required to reduce its controllable obligations, as submitted in the budget, by an amount equal to 2 percent of payrolls and 10 percent of other controllable programs or by the amount Congress reduced its appropriation, whichever reduction is the larger. It also provides for a reduction in Department of Defense obligations equal to 10 percent of non-Vietnam programs. It allows the President a leeway of \$300 million in restoring reductions whose effect, in his opinion, would vitally impair our national security or well-being; that is, if our 2 percent and 10 percent reductions, in his opinion, impinge upon the security and welfare of the country, he is given the fund of \$300 million to make allowance for such instances.

In those instances where the application of the 2 to 10 percent formula does not result in a reduction equal to the reductions made by Congress in the pertinent appropriation act, the lower level will prevail.

Mr. President, the effect of these provisions would be to impose a ceiling on the obligations to be incurred by a department or agency—that is, by each department and by each agency separately. In other words, the reductions are not applied to specific appropriations, but are reductions in the total obligations of that department or agency.

As an example of the application of the 2- to 10-percent formula, let us look at the Department of the Interior.

In acting on the appropriations for the Department of the Interior, Congress made reductions that will reduce their planned obligations by \$85 million. The application of the formula results in a total reduction of \$128 million—\$43 million more than the congressional reduction. In this instance, the amount of the reduction is determined by the application of the formula—that is, as to that particular department, the Department of the Interior.

Now, let us take an instance where Congress has already made reductions in excess of the reductions that would result from the application of the formula. In acting on the NASA appropriation, Congress made reductions totaling \$511 million, which is far in excess of the reductions that would be made by application of the formula. Therefore, the level of obligations for NASA is controlled by the congressional action on the appropriation bill. The same is true as to the foreign aid bill because the reductions made in the Senate bill, which is higher than the House bill, exceed the reductions made by application of the "2%-10%" formula.

Mr. President, at this point, I want to make it absolutely clear that these provisions are not applicable to what is determined by the Bureau of the Budget to be "uncontrollable" obligations. Examples of uncontrollable obligations are interest on the public debt, various programs of the Commodity Credit Corporation, veterans compensation and pensions, and the disaster loan fund of the Small Business Administration. There are many others, of course, as will occur to every Senator—for example, public assistance grants to States, payments to the civil service retirement fund, and payments to the social security fund for health insurance for the aged.

I call attention to table No. 3 appearing on page 10 of the committee print that has been furnished to each member that gives the total for those uncontrollable obligations at \$47.3 billion and lists them by account title.

As the proposal was submitted to the House Ways and Means Committee, these expenditure reduction proposals would have been applicable to the legislative and judicial branches of the Government as well. The provisions recommended by the conference committee are not applicable to the legislative and judicial branches. It was the view of the conferees on the part of the House that it would be extremely difficult to administer these provisions with respect to the legislative and judicial branches, inasmuch as there is no one central authority to administer the reductions. While it was the view of some of the conferees on the part of the Senate that these provisions should be applicable to the legislative and judicial branches, a majority felt that we should not jeopardize the whole proposal on this point. It is interesting to note that the Bureau of the

Budget considers programs of the legislative branch and the judicial branch as "uncontrollable."

I call the Members' attention to the tabulation appearing on page 35 of the committee print, which is a reproduction of a tabulation from page 14 of the budget for fiscal year 1968. It will be noted in this tabulation that programs for "legislative and judiciary" are included under the category entitled "Relatively Uncontrollable Civilian Expenditures." I believe that we would all agree that, in the main, these programs are uncontrollable.

It is estimated that these provisions will reduce fiscal year 1968 obligations and expenditures by not less than \$9 billion as to obligations and \$4 billion as to expenditures, respectively, below the amounts proposed in the budget as revised. On the appropriation bills enacted to date, the Congress has made reductions totaling \$4.5 billion, which will result in expenditure reductions in fiscal year 1968 of at least \$1.5 billion. It is likely that when action is completed on the remaining appropriation bills—that is, the foreign aid bill and the supplemental bill, which includes the OEO and others—the congressional reductions will be in the neighborhood of \$6 billion, which would effect a total expenditure reduction in fiscal 1968 of approximately \$2 billion. That is an expenditure reduction of \$2 billion. The obligational reduction would be, of course, the nearly \$6 billion. Therefore, it will be seen that the provisions recommended by the conference committee will increase reductions in obligations by about \$3 billion and in expenditures by about \$2 billion below actions already taken by Congress to reduce appropriations.

I wish to make it clear at this time that Congress has already made very large reductions in appropriations that will result in substantial reductions in fiscal 1968 obligations and expenditures, but we of the conference committee agree with the House that additional reductions above and beyond those amounts should be made.

Mr. President, I ask unanimous consent to have included in the Record at this point—

First. A tabulation giving a summary of fiscal year 1968 obligations and expenditures under this proposal.

Second. A tabulation giving these reductions by departments and agencies of the executive branch of the Government.

Third. A tabulation giving those fiscal year 1968 expenditures for uncontrollable programs which are not subject to the provisions recommended by the conference committee.

Fourth. A section-by-section analysis of the provisions recommended by the conferees.

Fifth. A tabulation giving a summary of congressional action on appropriation bills for fiscal year 1968 to date.

There being no objection, the material was ordered to be printed in the Record, as follows:



TABLE 1.—SUMMARY, 1968 OBLIGATIONS AND EXPENDITURES

[In billions of dollars]

	January budget as revised in August		Reduction to 2- to 10-percent provisions		Other changes		Revised estimate	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Controllable civilian programs.....	38.4	22.2	-3.6	-2.1	-0.3	-----	34.5	20.1
Defense, non-Vietnam.....	54.1	50.4	-5.4	-2.0	-----	-----	48.7	48.4
Foreign assistance, military.....	.6	.8	-.1	-----	-----	-----	0.5	.8
Subtotal.....	93.1	73.4	-9.1	-4.1	-.3	-----	83.7	69.3
Defense, Vietnam.....	20.8	21.9	-----	-----	+3.0	+2.0	23.8	23.9
Uncontrollable civilian programs.....	30.5	45.5	-----	-----	+1.7	+1.7	32.2	47.3
Participation sales, public enterprise funds, etc.....	1.1	-4.2	-----	-----	-----	-----	1.1	-4.3
Total.....	145.5	136.5	-9.1	-4.1	+4.5	+3.7	140.8	136.2

Note: This tabulation is based on the legislative and judicial branches being subject to the "2- to 10-percent" reduction provisions. However, the provisions recommended by the conferees are not applicable to the legislative and judicial branches. The details with respect to the legislative and judicial branches are set out below.

LEGISLATIVE AND JUDICIAL BRANCHES, FISCAL YEAR 1968 OBLIGATIONS AND EXPENDITURES

[In millions of dollars]

	January budget as revised in August		Reduction if 2- to 10-percent provisions were applicable		Revised estimate if 2- to 10-percent provisions were applicable	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Legislative.....	266	270	14	14	252	256
Judicial.....	96	96	3	3	93	93
Total.....	362	366	17	17	345	349

TABLE 2.—REDUCTIONS BY AGENCY

[In millions of dollars]

	January budget as revised in August		Reduction to 2- to 10-percent provisions		Other changes		Revised estimate	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Controllable civilian programs:								
Agriculture.....	4,322	3,260	-376	-290	-----	-----	3,946	2,070
Commerce.....	1,070	404	-104	-35	-----	-----	966	369
Corps of Engineers.....	510	716	-48	-35	-19	-30	443	651
HEW.....	7,498	3,419	-716	-410	-----	-----	6,782	3,009
HUD.....	1,351	205	-488	-140	-150	-----	713	65
Interior.....	1,668	684	-128	-60	-----	-15	1,540	609
Justice.....	477	387	-20	-10	-----	-----	457	377
Labor.....	525	189	-47	-15	-----	-----	478	174
Post Office.....	532	211	-62	-60	-49	-30	421	121
Proposed postal rate increase.....	-----	-580	-----	-----	-----	+180	-----	-400
State.....	305	229	-18	-10	-----	-----	288	219
Transportation.....	1,456	1,055	-93	-85	-5	-65	1,358	905
Treasury.....	917	790	-33	-30	-----	-----	884	760
AEC.....	2,646	1,156	-200	-80	-----	-----	2,546	1,076
GSA.....	699	475	-64	-35	-57	-40	578	400
NASA.....	5,061	3,665	-511	-475	-----	-----	4,550	3,190
VA.....	1,754	1,830	-119	-80	-----	-----	1,635	1,750
OEO.....	2,060	905	-195	-80	-----	-----	1,865	825
Economic assistance.....	2,450	683	-310	-100	-----	-----	2,140	583
Other civilian programs.....	<sup>1</sup> 11,300	<sup>1</sup> 11,177	<sup>1</sup> -334	<sup>1</sup> -210	-----	-----	<sup>1</sup> 966	<sup>1</sup> 967
Allowances.....	2,450	2,050	-----	-----	-----	-----	2,450	2,050
Interfund transactions.....	-682	-682	-----	-----	-----	-----	-682	-682
Exceptions.....	-----	-----	+300	+150	-----	-----	300	150
Subtotal.....	<sup>1</sup> 38,370	<sup>1</sup> 22,228	<sup>1</sup> -3,566	<sup>1</sup> -2,090	-280	0	<sup>1</sup> 34,524	<sup>1</sup> 20,138
Defense, non-Vietnam.....	54,100	50,400	-5,400	-2,000	-----	-----	48,700	48,400
Foreign assistance, military.....	555	800	-86	-30	-----	-----	509	770
Total.....	<sup>1</sup> 93,065	<sup>1</sup> 73,428	<sup>1</sup> -9,052	<sup>1</sup> -4,120	-280	0	<sup>1</sup> 83,733	<sup>1</sup> 69,308

<sup>1</sup> Includes the legislative and judicial branches which are not subject to the provisions recommended by the conferees. (See note on table 1 for details.)



TABLE 3.—1968 EXPENDITURES FOR UNCONTROLLABLE PROGRAMS

[In millions of dollars]

	January budget as revised in August	Further revisions	Revised estimate
Agriculture: Commodity Credit Corporation price support program.....	1,910	672	2,258
Health, Education, and Welfare:			
Payments to trust funds for health insurance.....	1,085	217	1,302
Public assistance grants.....	4,407	475	4,882
Treasury: Interest.....	14,152	200	14,352
Veterans' Administration:			
Compensation, pensions, and insurance.....	5,006	127	5,133
All other.....	18,974	49	19,023
Total.....	45,534	1,740	47,274

Note: The funds referred to above are included in the following accounts:

## UNCONTROLLABLE ACCOUNTS

Legislative branch.  
The judiciary.  
Funds appropriated to the President:  
  Disaster relief.  
  Asian Development Bank.  
  Investment in Inter-American Development Bank.  
  Subscription to the International Development Association.  
Department of Agriculture:  
  Sugar Act program.  
  Conservation reserve program.  
Commodity Credit Corporation:  
  Reimbursement for net realized losses.  
  Military housing, barter and exchange.  
  National Wool Act.  
  Research to increase domestic consumption of farm  
  commodities.  
  Export credit sales program.  
  Bartered materials for supplemental stockpile.  
Department of Commerce: Maritime—Operating-differential  
  subsidies (liquidation of contract authorization).  
Department of Health, Education, and Welfare:  
  Grants for rehabilitation services and facilities.  
  Retired pay of commissioned officers.  
  Payment to trust funds for health insurance for the aged.  
  Payment to trust funds for military service credits.  
  Grants to States for public assistance.  
Department of Housing and Urban Development:  
  Low-rent public housing: Annual contributions.  
  Federal Housing Administration fund.  
Department of the Interior:  
  Oregon and California grant lands.  
  Range improvements.  
  Bureau of Land Management, permanent appropriations.  
  Bureau of Indian Affairs, other miscellaneous appropriations.  
  Internal revenue collections for Virgin Islands.  
  Administration of Pribilof Islands.  
  Promote and develop fishery products and research per-  
  taining to American fisheries.  
  Appalachian region fish and wildlife restoration projects.  
  Anadromous and Great Lakes fisheries conservation.  
  Payment to Alaska from Pribilof Islands fund.  
  Federal aid in fish restoration and management.  
  Federal aid in wildlife restoration.  
  National wildlife refuge fund.  
Department of Labor:  
  Unemployment compensation for Federal employees and  
  ex-servicemen.  
  Claims and expenses, employees' compensation.  
Post Office Department: Contributions to the postal fund.  
Department of State: Contributions to international organiza-  
  tions.  
Department of Transportation: Coast Guard—Retired pay of  
  commissioned officers.  
Treasury Department:  
  Claims, judgments, and relief acts.  
  Interest on uninvested funds.  
  Refunding internal revenue collections, interest.  
  Internal revenue collections for Puerto Rico.  
  Interest on the public debt.  
Veterans' Administration:  
  Compensation and pensions.  
  Readjustment benefits.  
  Veterans insurance and indemnities.  
  Veterans reopened insurance fund.  
  Veterans special term insurance fund.  
  Servicemen's group life insurance fund.  
Civil Aeronautics Board: Payments to air carriers (liquidation  
  of contract authorization).  
Civil Service Commission: Payments to trust funds.  
Small Business Administration: Disaster loan fund.

## SECTION-BY-SECTION ANALYSIS

## TITLE II—EXPENDITURE REDUCTION PROVISIONS

Section 201 is a declaration of the intent of Congress to reduce budget expenditures for the fiscal year 1968 below the budget estimates. Expenditures result almost automatically from obligations, which consist of contracts awarded, materiel ordered, loan contracts entered into, grants approved, sal-

aries of employees hired, and so forth. This section recognizes that a reduction in expenditures can be effected only if projected obligations are controlled and reduced; it calls for reductions of not less than \$9,000,000,000 in obligations and \$4,000,000,000 in expenditures—to be achieved by limiting obligations as required by the sections which follow.

Section 202 prescribes a formula for establishing a limitation on obligations which may be incurred during the fiscal year 1968. The section is applicable to each department and agency of the executive branch. The limitations are computed in the aggregate in each case—that is, they apply to the sum of the appropriations for each department or agency rather than to individual appropriation accounts.

To apply the formula prescribed by section 202(a), each agency will be required to add the estimated obligations for personnel compensation and benefits (object classes 11, 12, and 13 in the uniform object classification) and multiply the result by 2 per centum. It will then add the estimated obligations for all object classes, deduct therefrom the estimated obligations for classes 11, 12, and 13, and multiply the remainder by 10 per centum. The sum of the 2 per centum of the 10 per centum is then to be deducted from the budget estimate of obligations, and the remainder is the maximum of obligations which may be incurred under subsection (2) of section 202(a).

In the event that the maximum, determined as described above, exceeds the obligational authority available to an agency—either because Congress has cut the appropriations further below the budget estimates, or because balances brought over from the prior year in continuing appropriations are appreciably less than estimated in the budget—the agency will be limited, under subsection (1) of section 202(a), to the amounts actually made available to it in accordance with appropriation acts and other laws.

The provisions of section 202 are not intended to apply to reimbursable obligations—that is, those financed by reimbursements and therefore not a final charge against the appropriations of the spending agency. In short, the bill is applicable to "net obligations" (the concept used in the Government-wide Budget table on obligations, page 50), which represents gross obligations incurred less reimbursements.

Subsection 202(b) defines the terms "obligational authority" and "budget estimate of obligations" which are employed in subsection 202(a). Under these definitions, "obligational authority" includes authority derived both from appropriations and from authority to enter into contracts in advance of appropriations (often referred to as "contract authority"). "Budget estimate of obligations" includes estimates both of obligations to be entered into and of reservations to be made; this is intended to apply the limitation on obligations to administrative reservations in those instances where such reservations represent a firm commitment even though the funds technically may not be obligated until a later date. (An example of this use of administrative reservations is the program for urban renewal capital grants as set forth on pages 516-517 of the Budget Appendix.)

Subsection (c) of section 202 adopts the Budget Appendix (the official document of detailed estimates, numbering more than one thousand three hundred pages) as the basic point for figuring the computations required by the bill. However, to the extent that the President has formally amended the Budget during the first session of the Ninetieth Congress, the figures in the Appendix will be replaced by the revision in estimates resulting from the amendments. (Budget amendments customarily are printed as either House documents or Senate documents

promptly upon transmission by the President to the Congress.)

Section 203(a) provides certain classes of exemptions from this Title:

Clause (1) exempts obligations for permanent appropriations; these are appropriations under which new amounts become available in succeeding years without a new action by Congress. They are regularly identified by the use of the word "permanent" in the listing in the Budget and in the schedules in the Budget Appendix.

Clause (2) exempts obligations for trust funds; these funds, considered to be held in a fiduciary capacity, are identified by these words and appear in a separate listing in the Budget and in a separate part in the Budget Appendix.

Clause (3) exempts obligations for certain items described as "relatively uncontrollable" in a table on page 14 of the Budget. In this group are obligations for items such as interest on the public debt, public assistance grants, veterans' pensions, and continuation of contracts entered into in prior years (a situation which occurs primarily in the water resources field).

Clause (4) provides a degree of flexibility by enabling the President to exempt from the limitations of this Title obligations up to an aggregate of \$300,000,000 for specific programs, projects, or purposes which he may determine to be vital to the national interest or security. The provision includes language to make it clear that the \$300,000,000 provided for flexibility cannot be used to increase programs and projects over the levels established by the Congress.

Subsection 203(b) provides a special rule relating to national defense. (The term "national defense" in the context of the budget relates to those activities set forth on page 76 of the 1968 Budget; it comprises the military functions of the Department of Defense together with the programs of the Atomic Energy Commission, military assistance, and a very small number of other defense-related activities.) The first part of this subsection indicates that the maximum reduction required by this title, in the case of national defense, is 10 per centum of the new appropriations and contract authorizations requested in the Budget for the fiscal year 1968, exclusive of "special Vietnam" costs. Nothing in this title is intended to restrict the amount which would otherwise be available for defense activities pertaining to the conflict in Vietnam.

The second part of subsection 203(b) gives the President authority to exempt from the operation of the title any obligations for national defense—whether incurred in the Department of Defense or elsewhere—which he deems to be essential for national defense purposes.

Section 204 relates to programs which require the distribution of funds in accordance with a formula set forth in the legislation establishing the programs. In many of these programs (usually for grants-in-aid), the amount appropriated or otherwise made available by law for distribution to a class or classes of recipients is one of the factors which must be considered in the application of the formula. Section 204 would require that, in applying the formula prescribed for any such program, the amount determined to be available for that program by the head of the department concerned, in accordance with the provisions of section 202, would be substituted for the amount appropriated. In any particular program, the amount to be substituted for the appropriated amount in applying the formula might be smaller or larger than the budget estimate of obligations as affected by the 2 per centum—10 per centum limitation prescribed in section 202.

Section 205. This section was not in the provisions as submitted. It requires that, to the maximum extent practical, the required



reductions in obligations for personnel be accomplished by not filling vacancies. Also, this section would authorize reductions in obligations for construction to be effected by stretching out the schedules for starting new contracts and for performing contracts so as not to limit the number of new construction starts which may be made with the reduced amounts available for obligation.

Section 205 relates to the disposition of the amounts reserved from use under this title. In the case of those appropriations and

contract authorizations which are available without time limitation, or which already extend into fiscal year 1969 or a later specified year, unused balances at the end of the current fiscal year would be carried forward as contemplated by existing law; the forthcoming 1969 budget and the action by Congress on that budget can, of course, take suitable account of the balance thus brought forward in determining the amounts to be appropriated for 1969. However, in the more common type of account in which unobli-

gated balances lapse at the end of the fiscal year and cannot be carried forward, section 205 provides that the amounts which are unused because of the limitation on obligations imposed by section 202 shall be used only as Congress may determine in its next session. If, in the second session of the 90th Congress, there is no specific provision enacted which permits such funds to be used, they will revert to the general fund of the Treasury as provided by existing law (31 U.S.C. 701(a)(2)).

#### SUMMARY OF ACTION ON BUDGET ESTIMATES OF APPROPRIATIONS IN FISCAL 1968 APPROPRIATION BILLS, 90TH CONG., 1ST SESS., AS OF DEC. 11, 1967

[Does not include any "back-door" type appropriations, or permanent appropriations<sup>1</sup> under previous legislation. Does include indefinite appropriations carried in annual appropriation bills.]

	Budget estimates considered by House	Passed House	Budget estimates considered by Senate	Passed Senate	Enacted	(+) or (-), latest action compared to budget
<b>Bills for fiscal 1968:</b>						
Treasury-Post Office.....	\$7,613,787,000	\$7,499,230,000	\$7,615,148,000	\$7,555,167,000	\$7,545,641,000	-\$69,507,000
District of Columbia:						
Federal payments.....	63,499,000	59,499,000	73,499,000	71,499,000	67,478,000	-6,020,800
Federal loan appropriation.....	49,600,000	48,100,000	89,700,000	79,200,000	79,200,000	-10,500,000
Interior.....	1,443,793,000	1,369,310,150	1,458,218,000	1,399,359,550	1,382,848,350	-75,369,650
Loan and contract authorizations.....	(40,700,000)	(16,200,000)	(30,700,000)	(16,200,000)	(16,200,000)	0
Independent offices-HUD.....	<sup>2</sup> 10,804,642,700	<sup>2</sup> 10,013,178,782	<sup>2</sup> 10,820,513,700	<sup>2</sup> 10,514,830,900	<sup>2</sup> 10,139,473,900	-681,039,800
Contract authorization (rent supplements).....	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(10,000,000)	-(30,000,000)
Labor-HEW.....	<sup>3</sup> 13,322,603,000	<sup>3</sup> 13,137,488,000	<sup>3</sup> 13,424,146,000	13,421,660,000	<sup>3</sup> 13,255,356,000	-168,790,000
State, Justice, Commerce, and Judiciary.....	<sup>3</sup> 2,342,942,000	<sup>3</sup> 2,194,026,500	<sup>3</sup> 2,347,803,195	<sup>3</sup> 2,186,105,500	<sup>3</sup> 2,169,012,500	-178,790,695
Legislative.....	231,311,132	228,089,952	276,005,210	275,885,804	275,699,035	-306,175
Agriculture.....	<sup>4</sup> 5,021,097,400	<sup>4</sup> 4,770,580,950	<sup>4</sup> 5,021,097,400	<sup>4</sup> 6,782,529,789	<sup>4</sup> 4,952,945,700	-68,151,700
Loan authorization.....	(859,600,000)	(859,600,000)	(859,600,000)	(909,000,000)	(859,600,000)	0
Defense.....	71,584,000,000	70,295,200,000	71,584,000,000	70,132,320,000	69,936,620,000	-1,647,380,000
Transportation.....	<sup>4</sup> 1,718,618,772	<sup>4</sup> 1,530,198,372	<sup>4</sup> 1,718,618,772	<sup>4</sup> 1,651,407,272	<sup>4</sup> 1,581,905,772	-136,713,000
Public works.....	4,867,813,000	4,622,922,000	4,867,813,000	4,776,064,000	4,689,938,000	-177,875,000
NASA.....	5,100,000,000	4,583,400,000	5,100,000,000	4,678,900,000	4,588,900,000	-511,100,000
Military construction.....	2,937,000,000	2,142,693,000	2,937,000,000	2,099,350,000	2,093,362,000	-837,650,000
Foreign assistance.....	3,818,736,000	2,775,011,000	3,842,836,000	3,313,345,000	-----	<sup>5</sup> -529,491,000
Supplemental (Poverty, other deferred items; usual supplementals).....	<sup>6</sup> (2,120,785,000)	-----	-----	-----	-----	-----
<b>Subtotal, 1968 bills.....</b>	<b>130,765,779,004</b>	<b>125,264,927,706</b>	<b>131,176,398,277</b>	<b>128,937,623,815</b>	<b>122,758,380,457</b>	<b>-5,098,684,820</b>

<sup>1</sup> Permanent "appropriations" were tentatively estimated in January budget at about \$15,212,066,000 for fiscal year 1968. (All forms of permanent "new obligatory authority" for 1968 were tentatively estimated in the January budget at \$17,452,899,000.)

<sup>2</sup> Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, \$980,000,000; House bill, \$925,000,000; Senate bill, \$955,000,000; enacted, \$925,000,000.)

<sup>3</sup> And participation sales authorizations as follows: Independent Offices-HUD, \$3,225,000,000 in budget estimates, \$881,000,000 in House bill, \$3,235,000,000 in Senate bill and \$3,235,000,000 enacted; Labor-HEW, \$115,000,000 in budget estimates, House bill and enacted; State, Justice, Commerce, and Judiciary, \$150,000,000 in budget estimates. House bill, Senate bill and enacted;

Agriculture, \$800,000,000 in budget estimates and House bill, \$700,000,000 in Senate bill and \$750,000,000 enacted. Total authorizations requested in budget, \$4,300,000,000; total in House bills, \$1,946,000,000; total in Senate bills \$4,085,000,000; total enacted, \$4,250,000,000.

<sup>4</sup> Includes advance funding for fiscal 1969 for grants-in-aid for airports (budget \$75,000,000; House bill, \$65,000,000; Senate bill, \$75,000,000; enacted, \$70,000,000.)

<sup>5</sup> As passed Senate.

<sup>6</sup> These are the amounts presently pending consideration in the committee.

Note: Prepared Nov. 15, 1967, in the House Committee on Appropriations.

Mr. HOLLAND. Mr. President, the question has been raised as to why the Congress should enact these provisions inasmuch as the executive branch of the Government has the authority to make these reductions without the enactment of these provisions. I think there are two excellent reasons why these provisions should be enacted:

First. While the executive branch of the Government undoubtedly has the authority to make these reductions without the enactment of these provisions, let me say that such authority is wholly discretionary, and while I think the reductions would be made, they would not be compulsory. By the enactment of these provisions, the executive branch will have no discretion, and the country and the world will know from the date the President approves this measure that these reductions will and must be made.

I think it is highly important that the country and the world know that Congress regards our situation as such that we should require reductions in expenditures.

The second reason—and let me say that I think it is a most compelling one—is that this Congress must exercise its power in accomplishing fiscal responsibility. In view of recent developments in international financial circles, I think it is imperative that this Congress take this action.

Mr. President, the way in which the conference is reported requires the mak-

ing of two motions and I shall at this time make the first motion.

Mr. MILLER. Mr. President, before the Senator makes the motion, would the Senator yield so that I may ask a few questions at this point?

Mr. HOLLAND. I am happy to yield to the Senator for such questions as he wishes to ask and which I shall attempt to answer.

Mr. MILLER. I thank the distinguished Senator and I appreciate his fine explanation of what has taken place.

My first question is, Do I understand that the 10-percent reduction is a reduction measured not against the current level of spending but a reduction rather against the budget estimate that the Senate received this year?

Mr. HOLLAND. Yes; as corrected. That estimate we received the first of the year has been modified from time to time and, I might say, enlarged from time to time; and the reduction is against obligations to be incurred for controllable programs as set out in the 1968 budget, as revised.

Mr. MILLER. Let us say an agency has expenditures for the fiscal year 1967 of \$2 billion; the budget estimate was, let us say, \$2.5 billion. The 10 percent measured against the \$2.5 billion would be \$2.25 billion, which is still \$250 million over the current level of spending.

Therefore, the agency could not say the expenditures were being cut in terms of what is being spent but only in terms

of measurement against the budget estimate.

Mr. HOLLAND. The Senator is basically correct. What we are actually doing is making a reduction in 1968 expenditures by imposing a ceiling on the amount that can be obligated. However, there are some instances where Congress has already taken action that will result in fiscal 1968 expenditures being less than 1967 expenditures. I have already stated the one for NASA and the same is true of the foreign aid. I am told one or two other smaller agencies are in the same position, although I am not in a position to name them at this time.

Mr. MILLER. I have one other question. I understand there is an obligatory authority reduction of \$9 billion and an expenditure reduction of \$4 billion. Does that lead to the conclusion that probably for fiscal year 1969 there would be a reduction in expenditures of \$5 billion, which represents the difference?

Mr. HOLLAND. That would be in 1969 or later years. There are many appropriations that are not fully obligated or expended in the year they are made, and they carry over into following fiscal years.

But it does mean there will be reductions in expenditures totalling \$9 billion during fiscal 1968, fiscal 1969 and following years.

Mr. MILLER. I was wondering if the Senator had any estimate how much of



that \$5 billion difference would be applicable to 1969.

Mr. HOLLAND. No; I am not able to do that. The staff member here may have an estimate based on our earlier experience. Each year is somewhat a rule in itself; but there may be some averages in the second year.

The staff member advises me that based on past experience better than one-half of the difference between the \$9 billion reduction in obligations and \$4.1 billion reduction in expenditures will be reflected as an expenditure saving in the next fiscal year.

Mr. MILLER. I thank the Senator.

Mr. HOLLAND. I thank the Senator for his interest and apparent understanding of our objectives, which I admit are complicated. I think they had members of the conference scratching their heads ever since October when we started on this course.

(At this point, Mr. Moss assumed the chair.)

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to my friend, the senior member of the minority in the conference, the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, this measure will put a mandatory ceiling on obligations for controllable programs that will limit expenditures to \$136.1 billion, which is \$4.1 billion below the revised estimated of \$140.2 billion.

Mr. HOLLAND. That is correct.

Mr. YOUNG of North Dakota. The expenditures change so fast that it is hard to keep up with them. Our total overall Federal expenditures now are estimated at about \$184 billion. The difference between \$184 billion and \$136.1 billion would be represented by trust funds expenditures for highways, social security, and so forth.

Mr. HOLLAND. That is correct; assuming the reductions required in this resolution are made.

Mr. YOUNG of North Dakota. But this action in approving this continuing resolution with a \$4 billion cut in expenditures will help as greatly as did the \$6 billion cut in the appropriation bills.

It will still leave a deficit of over \$20 billion, as I have it figured out, which is far too much.

This is going to mean continued and heavy inflation unless Congress narrows this gap and imposes an additional income tax.

Mr. HOLLAND. The Senator is stating his figures on what he has seen, and I have seen the same figures as to estimates of the amount of the budget. I do not suppose that anybody knows within several billion dollars what the amount of the deficit will be on June 30 of next year because of the uncertainties prevailing and which will prevail between now and then.

Mr. YOUNG of North Dakota. I think the Senator will agree we have serious financial problems. Our appropriation this session for the military, construction, defense, and Vietnam was about \$85 billion. According to estimates I have, appropriations requested for next year will be for about that amount. We

have embarked upon many new programs with the ever-increasing deficits. It has meant less confidence in the dollar both here and abroad. It has also meant a heavy drain on our gold supply by countries throughout the world.

Mr. HOLLAND. The Senator, of course, is right in his pessimistic view of the situation, in which I join. I would call his attention to one other factor which he has not mentioned but which has helped us somewhat, and that is the action of Congress in making available to the administration the sale of participation certificates which will sell some of the securities now in the possession of the government to the tune of approximately \$5 billion.

Mr. YOUNG of North Dakota. We face another difficult situation which has resulted from large deficits; namely, our gold supply, which is at its lowest level in 30 years—a little over \$12 billion. About \$10 billion is required by the 25-percent coverage of our currency. This means we will have little gold left to meet our foreign and domestic commitments. I suspect that next year one of the biggest and most important problems we will have to face, as soon as Congress comes back from adjournment, will be the question of this large deficit and what we are going to do about preventing a further devaluation of the dollar.

Mr. HOLLAND. The Senator is exactly right in pointing out that adoption of the measure, while helpful in the current situation, by no means solves it in its entirety. I have not attempted to give the impression that it does, but I applaud the action of the House yesterday in approving the action by such a heavy vote—366 to 26, I believe; and I hope that the Senate will also give its approval, because here is the acid test, it seems to me: Will Congress show that it realizes the difficult situation we are in?

The Senator from North Dakota has already shown clearly that he realizes it. Realizing it, will Congress be willing to do everything in its power to better the situation?

We have already done two things to better it, by reducing the appropriations to date by \$4½ billion, without considering the foreign aid bill and the supplemental bill, which will include OEO and some other items. We have already helped in the situation by allowing the sale of some of the securities in the possession of the Government in regard to participation certificates, a matter which I mentioned a while ago. That, so far as I know, is the only other avenue remaining by which in this almost unknown new effort, so far as I am concerned, to impose our will in a compulsory way on expenditures not lying all out of appropriations of this year, some of it coming out of appropriations made in earlier years, we are taking this third step, to try to give help to our Nation in this difficult situation.

I suspect that the Senator from North Dakota [Mr. Young] who participated so actively and so helpfully not only in this conference but also in all appropriation work, feels as I do that he wishes we could have done more; but I believe we have shown by this, the third meas-

ure, and the other two I have mentioned, our deep concern about the situation and our willingness to do much, and I think as much as we could do under the conditions, in helping to solve this extremely bad fiscal situation growing, in the main, out of our Vietnam experience.

Mr. YOUNG of North Dakota. I would certainly agree with the Senator from Florida that this is all we can do at the present time, and we are doing it with the full knowledge that some programs we favor strongly will get cut.

Mr. HOLLAND. The programs dear to the hearts of the Senator from North Dakota and the Senator from Florida were cut in the appropriations bills which he and I both had some part in drafting and some part in handling in conference. They have also been cut in other ways. Also in this particular measure.

I am sure that the Senator from North Dakota has no regrets, because of his participation. Neither do I.

I think that every Senator—I do not exclude a single one—realizes that it is our plain duty to do all we can in this critical situation to preserve the solvency of the Government and to preserve the high standard of the American dollar, and also to give increased confidence to the rest of the world, particularly that part which is friendly to us, in the soundness of our system.

Mr. YOUNG of North Dakota. Let me add one further point: What the Senator has said is tremendously important, by Congress acting with the Executive. It will tend to increase our prestige in other parts of the world and enhance confidence in our fiscal responsibility.

Mr. HOLLAND. It will give us more confidence in anyone who looks at the legislative branch, as a separate branch, cooperating with the executive branch, a separate branch. I think it will give confidence to our people in the legislative branch, if I may speak in a more selfish way. I believe it will give on the part of our people generally throughout the Nation greater confidence in their legislators in both the House and the Senate to see us trying to do these various things, doing as much as we can to help meet the critical situation.

I thank the Senator from North Dakota very much for his most helpful comments.

Mr. President, if there are no further questions, I call up the first amendment in disagreement, inasmuch as the report simply said that we were not able to agree. That means now that we have to take up the two amendments in disagreement.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the resolution (H.J. Res. 888) entitled "Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes", and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "December 20, 1967".

Mr. HOLLAND. Mr. President, the Senate will remember that both dates



which were stated in the two original resolutions, one in the House resolution and one in the Senate resolution, have long passed. That is because it has been in conference so long, and the situation has been studied over such a long period of time, that the date of December 20, a date calculated to meet all of the continuing problems which we think we shall have in this session, is a new date. It must be agreed upon, as the House has already agreed to the Senate amendment as amended, I move that the Senate concur in the House action.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. HOLLAND. I thank the Presiding Officer. If there be no further objections to this, I now move that the Senate concur in the amendment of the House to Senate amendment No. 2.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid resolution and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

Mr. HOLLAND. Mr. President, unless there is a request for reading the amendment in full, which I have already discussed at some length, I ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is as follows:

**"TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES**

"SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than \$9 billion and \$4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

"SEC. 202. (a) During the fiscal year 1968, no department or agency of the executive branch of the Government shall incur obligations in excess of the lesser of—

"(1) the aggregate amount available to each such department or agency as obligatory authority in the fiscal year 1968 through appropriation acts or other laws, or

"(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

"(i) 2 per centum of the amount included in such estimate for personnel compensation and benefits, plus

"(ii) 10 per centum of the amount included in such estimate for objects other than personnel compensation and benefits.

"(b) As used in this section, the terms 'obligational authority' and 'budget estimate of obligations' include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

"(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document Numbered 16, Ninetieth Congress, first session), as amended during the first session of the Ninetieth Congress.

"SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading 'relatively uncontrollable' in the table appearing on page 14 of the Budget for the fiscal year 1968 (H. Doc. No. 15, part 1, 90th Congress, first sess.), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

"(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percentum of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (H. Doc. Nos. 15, part 1, and 16), as amended during the first session of the 90th Congress: *Provided*, That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

"SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a) (2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

"SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

"SEC. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a) (2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress."

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of amendment No. 2.

Mr. MUNDT. Mr. President, I send to the desk amendments to Senate amendment No. 2 and ask that they be read.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read the amendments, as follows:

Amend the first paragraph of section 202 to read as follows:

"SEC. 202. (a) During the fiscal year 1968, no department or agency of the Federal Government, including the legislative and judicial branches, shall incur obligations in excess of the lesser of—

In section 203, after "(3) items", insert "(except legislative and judiciary)."

Mr. MUNDT. Mr. President, I ask unanimous consent that the two amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I yield.

Mr. HOLLAND. Do I understand the Senator's amendment to be to this effect: That he would simply add the legislative and judicial departments and the appropriations to those two departments to be included within the scope of the amendment which is now before us?

Mr. MUNDT. The Senator is exactly correct.

Mr. HOLLAND. I thank the Senator.

Mr. MUNDT. Mr. President, this is the identical amendment that I offered in the conference committee in behalf of the distinguished Senator from North Dakota and myself, bringing within the purview of this economy amendment both the judiciary and the legislative branches of the Government.

My amendment failed by a single vote in the conference committee, and I said then that I would sign the conference report but only with the understanding that I would offer this amendment in the Senate so the Senate itself could work its will on this matter.

I have but a brief statement to make.

I would like to get the yeas and nays on my amendment. I do not know whether a sufficient number of Senators is present, but I will ask for the yeas and nays.

Mr. HOLLAND. Mr. President, if the Senator is unable to get the yeas and nays at this time, I will assist him in getting them later, before we vote on the amendment.

The PRESIDING OFFICER. There is not a sufficient second.

The yeas and nays were ordered.

Mr. MUNDT. I will try to get them later. I have the assurance of my distinguished friend that we will not have a vote until we get them.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. LONG of Louisiana. On behalf of the leadership, we will cooperate with the Senator in getting them, at the appropriate time.

Mr. MUNDT. I thank the Senator.

The Senate has once in this session already voted on the question to include the legislative and judicial branches of Government in an economy move. The motion did not prevail. I offered a 5-percent cut in the course of the debate on the continuing resolution, and failed to get a majority by three votes. But I call attention to the fact that those voting for that economy move then were voting in favor of incorporating the legislative and judicial branches in any effort toward economy.

Mr. President, at best we are not going to attain the goals we sought, but I completely agree with the Senator from Florida that, largely because of the adamancy and persistency of the House, in holding the conference in session, we finally arrived at a meeting of minds whereby, after one formula after another had been tried, we agreed in the conference on these reductions, which are significant. They are greater in the end than they would have been had my amendment been adopted on the floor. They are smaller than they would have been however if the Bow amendment had been adopted, because the Bow amendment would have put a ceiling of \$131.5 billion on the expenditures, and this action brings it to \$136.2 billion in



expenditures. Thus our savings are smaller than those which would have resulted had the House passed the Mundt 5-percent amendment and the conference committee thus been required to come up with a compromise figure. So we are nearly \$5 billion above what the House had voted for at the time it voted in favor of the Bow amendment.

I think it would be interesting and informative for the Senate to have in-

corporated in the RECORD at this time a table which was prepared by the Senate staff as one of the long series of documents which were presented by the staffs of both the House and Senate Appropriations Committees, and by both staffs working together, to advise and counsel and inform the Senate. We have a table which describes the various efforts which were made and the results.

So I ask unanimous consent that there appear at this point in my remarks what is identified as table No. 1, on page No. 8 of the Senate committee print, which was placed before the conference committee for consideration.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—SUMMARY, 1968 OBLIGATIONS AND EXPENDITURES  
[In billions of dollars]

	January budget as revised in August		Reduction to 2- to 10-percent provisions		Other changes		Revised estimate	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Controllable civilian programs.....	38.4	22.2	-3.6	-2.1	-0.3	-----	34.5	20.1
Defense, non-Vietnam.....	54.1	50.4	-5.4	-2.0	-----	-----	48.7	48.4
Foreign assistance, military.....	.6	.8	-.1	-----	-----	-----	0.5	.8
Subtotal.....	93.1	73.4	-9.1	-4.1	-.3	-----	83.7	69.3
Defense, Vietnam.....	20.8	21.9	-----	-----	+3.0	+2.0	23.8	23.9
Uncontrollable civilian programs.....	30.5	45.5	-----	-----	+1.7	+1.7	32.2	47.3
Participation sales, public enterprise funds, etc.....	1.1	-4.3	-----	-----	-----	-----	1.1	-4.3
Total.....	145.5	136.5	-9.1	-4.1	+4.5	+3.7	140.8	136.2

Note: This tabulation is based on the legislative and judicial branches being subject to the "2- to 10-percent" reduction provisions. However, the provisions recommended by the conferees

are not applicable to the legislative and judicial branches. The details with respect to the legislative and judicial branches are set out below:

LEGISLATIVE AND JUDICIAL BRANCHES, FISCAL YEAR 1968 OBLIGATIONS AND EXPENDITURES  
[In millions of dollars]

	January budget as revised in August		Reduction if 2- to 10-percent provisions were applicable		Revised estimate if 2- to 10-percent provisions were applicable	
	Obligations	Expenditures	Obligations	Expenditures	Obligations	Expenditures
Legislative.....	266	270	14	14	252	256
Judicial.....	96	96	3	3	93	93
Total.....	362	366	17	17	345	349

Mr. MUNDT. Mr. President, as the administration submitted these proposals for reductions in 1968 obligations and expenditures, they were applicable to the legislative branch and the judiciary. I call Senators' attention to the note on table No. 1, on page 8 of the print, which I have just now inserted into the RECORD. It is indicated that the application of these provisions to the legislative branch will effect reductions in budgeted obligations and expenditures totaling \$14 million, and their application to the judicial branch will result in reductions in budgeted obligations and expenditures of another \$3 million.

Thus, by the adoption of my amendment, we will increase by \$17-million the amount of expenditures which are being saved.

As a matter of fact, the only material change the conference committee has made in the reduction of obligation and expenditure proposal is to exclude the legislative and judicial branches from this economy move.

There are a number of reasons why I think we should include them, as they were included in the motion which I made on the Senate floor, which was defeated by three votes in a rollcall vote at the time we first tried to effectuate some economies on the side of the avenue, following the action of the House, which at that time had cut the budgetary expenditures by \$5 billion more even than the conference report supplied.

I agree that \$17 million is not very much money when we are dealing with

reductions totaling \$9 billion. However, I submit that it is a matter of principle, when the Congress takes action to impose reductions totaling \$9 billion—as I think we should, and as I believe we will—on the departments and agencies of the executive branch, and then specifically excludes the legislative and judicial branches from this economy move.

We have heard that the House conferees take the position that this provision would be difficult for the legislative and the judicial branches to administer. Mr. President, I suppose it will be. I submit however that the Secretary of Health, Education, and Welfare is going to have some difficulties in administering a cut of \$716 million. I am sure that the Atomic Energy Commission will not find it easy to live with a reduction of \$200 million. I am even more confident, Mr. President, that the Veterans' Administrator is not going to find it easy to absorb the \$118 million reduction that he has, with the country at war and new veterans being created every hour and every minute of every hour. But we are living, as has been brought out in the colloquy between the distinguished Senator from Florida and the distinguished ranking minority member on the Appropriations Committee, the Senator from North Dakota, in unusual times.

We are faced with a fiscal crisis. We are trying to avoid a collapse of our fiscal structure and we are justified in my opinion in bringing to bear on Members of Congress the inconveniences necessary when we are trying to run the Govern-

ment on a sound fiscal basis. We are at war with waste, and I do not want the legislative branch to operate as draft dodgers in that war.

I do not want the legislative branch to be a peacenik parading around saying we are for economy for everybody else but ourselves. I felt we should be included, and have felt so from the start, and so made a motion in the conference committee, which, as I said, lost by a single vote.

If we can cut the executive departments by \$9 billion—and I think we can and should—then we should apply the same formula to the legislative and judicial branches, and bring a total cut in those two branches of another \$17 million.

My amendments would make these provisions applicable to the legislative and judicial branches, just as this proposal was submitted to Congress by the executive branch. The only change made by our conference was to say, "We go along with these recommendations for the executive branch, but we do not want them to apply to us," and, hoping that it would not become too conspicuous that they had carved out a cyclone cellar for themselves, the conferees added, "We do not want them to apply to the judicial branch, either."

Mr. President, there is no reason in the world why they should not apply to the judiciary. The total saving in the judiciary would be \$3 million, and \$14 million in the legislative branch.

I think we all recognize, from our old



school books, that great American adage that states: "Sauce for the goose is sauce for the gander." Mr. President, I agree with what the Senator from Florida has said, that Congress ought to participate in this economy move. But I do not believe we should participate solely to the extent of saying we want to fight the economy war with the other fellow's blood; we want to economize in the executive branch but we do not want to economize in our own house.

To me, Mr. President, this is a preposterous proposal to foist on the public, to propose that we economize every place else except in our own areas. I think we should practice what we preach. We have preached economy on the floor of the Senate almost since the beginning of this year. We will be preaching it most of next year. We will preach it when we are confronted with a new tax bill—because these cuts will not be adequate to meet the fiscal problems that we have.

I think now is the time we ought to practice what we preach, and say that since we are engaged in this war on waste, since we are confronted with a very serious international fiscal crisis and a domestic fiscal crisis, we should lead the way, and, by precept and example as well as by vote, participate in this very necessary economy program.

It is not going to be any easier for us than it is for the Veterans' Administration, or for the other departments and agencies; but it is fully as possible for us, and if we actually believe that economy is necessary, we should be willing to defer for awhile the purchase of new drapes or new rugs or new furniture. If this is as serious as we think it is, we should be able to reduce for awhile the legislative appropriations for foreign travel. We should defer for awhile the addition of members to our staffs, and accept the same procedures of attrition in our staffs, committeewise and individually, that we insist upon for the executive branch of Government. We can defer some of our proposed construction. We can make economies in exactly the same way we are providing for executive agencies.

Mr. President, I think the situation is serious enough so that we should have a Government-wide attack on deficit spending. I think that the executive departments should start tightening their belts; but I think we should do it in the legislative branch also. I think in the judiciary they can defer for a few months the purchase of new books or the addition of new staff members, or some of the other expenditures which are available to the judicial branch. I think we should fight this war across the board. I think the judiciary, the legislative, and the executive should march arm in arm in saying, "We want to have some economies." I do not like the idea of just marching the executive branch to the front while we stand behind and cheer the results of the economizing. If the situation is as serious as we say it is, we ought to be willing to participate. If this is just a capricious cut, perhaps we should not make it at all. But it is not capricious. It is important; it is necessary; it is essential. And if it is essential, I submit we ought to do it all the way across the board. We should include ourselves in the economizing.

Something has been said about the fact that foreign countries will have more confidence in this Government if we join with the Executive in a manifestation of economy. I think that is right; and I think the parliamentarians around the country and around the world will have more confidence that we mean business if we say that we are going to participate to the extent of tightening the belt ourselves in the legislative branch.

The only valid argument I have heard against my amendment is the fact that some people say the Members of the House of Representatives will not accept it. I do not know who those crystal ball gazers are. I served in the House 10 years, which qualifies me at least to belong to the amateur class, I guess, among those who make speculative conclusions about what the House of Representatives will do.

I happen to think that the House will welcome a change to vote "yea." But if they vote "nay," after we vote "yea," that will not delay this economy drive. We will then simply have to yield to the House, and go along and take the other cuts. But I submit that we, as Members of the U.S. Senate, now ought to manifest our sincerity about reducing expenditures by being willing to go along on the same formula we very properly and necessarily impose upon the others.

So I hope that on the ensuing rollcall, this amendment will be overwhelmingly supported. I have stated my case. Unless there are others who wish to take an opposite point of view, and say things which I think should be refuted, I am willing to rest it and proceed to a vote, provided we can find a way, now, to get a rollcall ordered, which we can.

Mr. HOLLAND. Mr. President, I shall be glad to suggest the absence of a quorum, after which I shall wish to speak briefly. Then, of course, if the distinguished manager of the bill wishes to reply, he can.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUNDT. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, I wish to reply briefly to the argument made by my distinguished friend, the Senator from South Dakota.

In the first place, I want to make it perfectly clear that the budget for the legislative department and the budget for the judicial department are both shown by the President's budget filed with us in the beginning of the year, and every year, as uncontrollable. And the proper page, copied out of the budget, is attached to the papers which I have furnished to each Senator in this case.

In the second place, I call attention to the fact that not only is it listed in the budget that these two items are uncontrollable, but that also happens to be the case. They are uncontrollable.

We have 100 Senators and 435 Representatives. Their salaries are fixed by law. There is no provision in this resolution at all to cut anybody's salary, their salaries or anybody else's.

In the case of the executive branch of the Government, the cuts are accomplished by failing to fill vacancies.

I took this up personally with the Civil Service Commissioner. I found out that there is a 27-percent turnover of personnel each year, and that it will be possible, simply and easily, for them to accomplish the 2-percent reduction from the budget amount for personnel.

In the case of the Senate and the House, of course, there is no such situation existing. The salaries of Senators and Representatives are fixed by law and are collectible by the individuals themselves.

Insofar as the other expenses of the Senate are concerned, they are in the main in connection with the employees and the staffs of the Senate and House Members. And, in that case, every Senator and Representative has a chance to make savings if he wants to do so. The Senator from Florida has been making a saving by using less than his full allowance for the hire of personnel on his staff.

Each Senator is given that chance. Each Senator who is able to do so can do so. However, it happens to be a fact that a great many of our colleagues have to use not only their full allowance for the employment of their staff, but also have to go into their own personal pockets or, receive aid from their friends, to pay for the larger staff which is required for them to properly serve their particular constituencies. That is known to all of us.

It has been shown by the press in the last few days that one of our distinguished colleagues, in the effort to properly serve his very large constituency—because he comes from one of our larger States—has had to have help from friends in an amount sufficient for him to man his office in such a way that he can properly serve his constituency.

I call back to the attention of every Senator the fact that if he can make a savings out of the funds provided for the hiring of his staff, he has a chance to do so.

Other expenses of the Senate are connected with printing. We know that we have to have printing done for the information of the Senate. We have to have committee reports printed. We have to have the transcript of hearings of committees printed.

There is on the desk of each Senator a small hearing record pertaining to a matter that was handled this morning or on yesterday. Twelve hearings records were printed for one hearing conducted by the distinguished Senator from Oregon [Mr. MORSE].

And there would have been no other way for the Senate as a whole to be informed as to what occurred in those hearings and as to what the witnesses who testified at those hearings had to say on the subject matter of the hearings except to have them printed.

Mr. President, the CONGRESSIONAL RECORD is printed overnight and contains



everything that is said on the floor of the Senate and of the House of Representatives for the whole session. It looks as if this session is going to be about 1 year long.

I see no way to save that expense without cutting down on the information that is sent out to the people who receive the CONGRESSIONAL RECORD all over the world, and particularly the citizens of the United States who have a right to keep up with what is going on here. Of course, the CONGRESSIONAL RECORD preserves for posterity in its permanent RECORD form, when it is printed in book form, the doings of every Senate and of every House of Representatives since the Government was established way back in the late 1700's.

There are so many of the expenses of the Senate and of the House of Representatives that are uncontrollable that I do not think it is necessary to mention more of them.

We all have an allowance for travel to our homes. It may be necessary for me to go home, in order to serve my constituents well, because of the things that are going on there, for the full number of trips that are permitted me under the laws passed by Congress. Next year it may be possible for me to get along without going home more than once or twice. The situations change, and nothing is controllable ahead of time or by the fiat of anyone as to how much of that money shall be expended.

I could go on with the expenses generally of the Senate and the House—and they are not heavy. My recollection is that they are about \$40 million for the Senate, and \$80 million for the House. The Legislative Appropriation Act for fiscal 1968 totals \$275 million.

We are talking about saving here \$9 billion—\$9 billion—in obligation authority and \$4.1 billion in actual expenditures this year. The entire saving with reference to Congress, if it could be accomplished, would be approximately \$14 million. And it would be difficult to accomplish. Who has the authority? Is it the present occupant of the chair, or the President pro tempore, or the Vice President? Certainly, it is not the President, because he is the head of a coordinate branch of Government which cannot, under our constitutional Government, control the Senate or the House.

So my distinguished friend asks if we are not willing to make contributions. I will say that we are willing to make contributions. I will say that every Senator has it in his power, by frugal handling of his office and by frugal public travel, to make contributions. I say also that every Senator who has stayed here and tended to his duty the entire session has made considerable contribution in that way to the welfare of the Nation and to the solving of our problems.

It has not been easy—and I am sure the Senator from South Dakota will agree with me—for us who sit in the Appropriations Committee to cut what appears to be almost \$6 billion from the appropriations before we get through. Every time you cut anybody's appropriation, you make some of your constituents angry at you; and the Senator knows that is a fact. If it is something that affects an agency that operates in your State,

you cut at your peril. Yet, I do not believe we have shown any timidity or any unwillingness to cut, when it appears that we will have cut a total of almost \$6 billion by the time we get through passing the foreign aid bill and the supplemental bill, which lie ahead of us, when added to the bills we have already passed.

So, Mr. President, I do not believe that Senators deserve the implied charge made by my distinguished friend, the Senator from South Dakota, that we are not showing a willingness to contribute or a willingness to cooperate. To the contrary, I suspect that we are contributing and cooperating a good deal more than most of the citizens of this country to meeting the difficulties of our Nation. The Senator from Florida feels that for himself, and I am sure that many others in Congress could make a great deal more at home, tending to their own business, instead of being here and trying to come to grips with these terrible problems.

So much for the legislative part of the motion of the Senator. Let us come to the judicial part. He suggests that we also add the judicial department to be cut. I am sure that my distinguished friend has forgotten the provisions of the Constitution of the United States, in part, at least, because one provision is that the judges—meaning the Judges of the Supreme Court—shall receive compensation which shall not be diminished during their continuance in office. It is also true that the compensation of other judges cannot be diminished. They can be struck out of office. They can quit if they wish. Their district can be discontinued. But they are appointed for life, and their expenses are expenses which this Government gladly incurs, and incurs in such a way that they are not made subject to all of the vicissitudes that affect our Nation. They run on regularly.

The same is true with reference to other expenses of the judiciary. I know that the Senator has been in the library of the Supreme Court. If he has been in any Federal courthouse in the Nation, he has been in the library there. As to those library expenses, we cannot very well say to the lawbook publishers. "You must take a cut because we have passed a law here saying that you shall do so." We cannot very well discontinue publication of the reports, which are required to be published by law, and which are published at heavy expense and circulated at heavy expense. We cannot discontinue any of the many expenses of the judicial department.

What about the juries? The jurors are payable by law, under law that we pass, and we provide money to pay them.

Can we say that the jurors must take a cut in their pay or that we shall have such a cut as will not permit the courts to function, not permit the courts to have jurors, not permit the courts to summon jurors from the citizenship that they serve and swear them to do justice by their fellow men in the courts?

The very idea of bringing the judicial department under this proposal shocks me and astounds me, because it does not show a clear understanding by the Senator. I realize he is not a lawyer, but a college professor. However, I am a lawyer, and I know something about the expenses

of the judiciary department. Having once been a judge myself, I do not see how we could possibly impose any real restriction or meaningful restriction; and, if we did, I do not see who could impose it, because each judge has the same right to draw his salary that we Senators have individually; each judge has the same right to swear jurors or to have his clerk swear jurors, to have his marshals summon jurors, as every other judge.

The President cannot stop that. The President does not control the judiciary. The President is not the head of the judicial system. By our Constitution, we make the judicial system a separate, coordinate branch of Government.

The Senator has said, I believe he is correct, that if this cut could be applied—the 2 percent and the 10 percent—to the judiciary, it would save the magnificent sum of \$3 million. And he suggests that that be done. Mr. President, I do not believe that is practical. I do not believe it is possible. I do not believe we should do it. I do not believe we shall consider it seriously. We have done what is possible in the terms of this resolution, which has been adopted so overwhelmingly on the part of the other body. I believe I have stated in the RECORD that the vote by which the resolution was adopted was 366 to 26, which makes it completely evident that the House of Representatives wants to do its part in bringing about this particular added saving in addition to what we have saved in the passage of our appropriations.

Now, Mr. President, one more word and I shall be through. While we were in conference on the foreign aid bill earlier today, the head of the minority group of the House conferees came over and told me—I shall not mention his name; Senators know who he is—"By no means allow this provision affecting legislative and judiciary to go on this bill." He said, "We have argued this thing up and down in our committee. We cannot get it accepted. They think it is unreasonable and impractical and cannot be done. Please be sure that that not be done."

Then, before I left, the chairman of the majority group, the head of the House conferees, came over and told me the same thing. I understand that he was in the Senate Chamber shortly before we took up this measure, although I did not see him at that time, passing on word to various members of the Appropriations Committee that such was the case.

They have gone into this matter very exhaustively because they made a beginning in this effort, as the Senator from South Dakota said. That is not how they had made the mistake under the Whitten amendment of putting in the judicial and legislative departments. It will be remembered that in our conference the distinguished Congressman, Mr. WHITTEN, made it very clear that he should have exempted some agencies which he had not and these are two he said should have been exempted, and he named others that were not named in the original wording of his so-called Whitten amendment.

(At this point Mr. KENNEDY of New York assumed the chair.)

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?



Mr. HOLLAND. I am glad to yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I join the Senator from Florida in opposing this amendment. Very reluctantly I oppose this amendment. I cosponsored with the Senator from South Dakota an amendment in the Senate-House conference committee which would have required a 2-percent cut in legislative expenditures. We have been working for 6 weeks to try to reach an agreement with House conferees on reducing expenditures. We have finally reached an agreement which would save over \$4 billion. I have the same advice as the Senator from Florida. That to accept the Mundt amendment would jeopardize the whole bill and the \$4 billion saving.

Mr. HOLLAND. I thank the Senator. I was sure he did.

Mr. YOUNG of North Dakota. If we were to add amendments such as this amendment, it would jeopardize this \$4 billion savings.

There are Members of the Senate and the House of Representatives, particularly from the bigger States, who need all the money that is appropriated to them for clerk hire. I realize that. Some of those Members are even digging into their own pockets to cover expenditures.

In my case, I am presently spending at a rate of \$45,000 less than I am allowed. For this year I have turned back \$25,920.

I will save more than 2 percent and I assure the people of North Dakota and the Senate that I will be turning back far in excess of this 2 percent cut being proposed. I very rarely use all of the money for clerk hire that is allotted to me so this would not affect me.

Mr. President, I ask to have printed in the RECORD a table prepared by the Disbursement Office of the Senate under the direction of Robert A. Brenkworth, Financial Clerk, indicating my savings so far this year. The money I will turn back to the Treasury.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CLERK-HIRE ALLOWANCE, OFFICE OF SENATOR YOUNG OF NORTH DAKOTA, FOR PERIOD JAN. 1 TO DEC. 31 1967, INCLUSIVE

	Basic	Percent	Gross
Used, Jan. 1-July 31	\$29,819.17	93	\$85,029.16
Unused	2,275.83	7	6,391.20
Allowed	32,095.00	100	91,420.36
Used, Aug. 1-Sept. 30		75	23,785.00
Unused		25	8,015.00
Allowed		100	31,800.00
Used, Oct. 1-Dec. 31		76	36,187.50
Unused		24	11,512.50
Allowed		100	47,700.00
Recapitulation, Calendar Year 1967			
Used		84.9	\$145,001.66
Unused		15.1	25,918.70
Allowed		100.0	170,920.36

Mr. HOLLAND. Mr. President, I am glad that the Senator has introduced the

table. The brethren of the Senator know that he operates frugally, as well as effectively. I think that can be said of most Members of the Senate.

However, there are some Senators who are caught in a tight position by reason of the great burden they carry, due to the size of their States or the activity in their States, who cannot operate under the Senate allowance. I think we would be blind to close our eyes to that situation.

I thank the Senator. I am not surprised at his position.

As far as the Senator from Florida is concerned, he will save a good deal more than 2 percent in his case, not only from clerk hire, but from travel and other matters having to do with his office. I know the Senator from South Dakota does that. I think he will have discharged his responsibility by so doing.

However, when we have brethren here who cannot run their offices with the amount allowed for clerk hire because of the great activity and the size of the States they represent, we should not be blind to the fact that we do have several Members of the Senate who are in that category. The same is true with reference to the committees and committee staffs. There is never a year that there are not some committee staffs which are required to do more than was expected in the beginning and they have had to come back to the Senate, or the chairman of the committee has had to come back to the Senate and ask for a further allowance in order that they can fully carry out their obligations to the Senate and the people of the United States.

However, I have again illustrated by that one fact that here is a matter that is uncontrollable. The Senator from North Dakota and I serve on two committees together, the Committee on Appropriations and the Committee on Agriculture and Forestry. We cannot tell, to save our souls, at this stage what will be the level of work falling on those two committees next year. It may be heavier than it was this year, although I hope not, and it may be lighter. However, it is uncontrollable and it is not foreseeable. No human being can foresee it.

I think the Bureau of the Budget is sizing up this matter correctly when it says here are two departments, legislative and judiciary, which are uncontrollable.

I hope the Senate by its verdict on this vote, by its defeat of this motion, will make it clear that we do not intend to jeopardize the passage of this very worthwhile act, in which it is very vital to our country to act now, by the adoption of something from the leadership on both sides of the aisle in the House of Representatives that has been fairly gone into and not accepted there.

I hope the Senator from South Dakota will not insist on his amendment.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. MUNDT. Mr. President, I have a few comments I would like to make on the rejoinder offered by my good friend

from Florida. I shall try to take up his proposals and arguments in the order in which he presented them.

In the first place, the Senator said the legislative budget is uncontrollable, which came as a shock to me because I served for a while on the Appropriations Subcommittee dealing with the legislative branch of Government and it is as controllable as that of any agency. We have people coming in for more and less and we move it up and down every year. However, I offer as the best testimony to that effect that the President and the Bureau of the Budget included the judiciary and the legislative branches among the controllable agencies in their presentation to Congress.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. I asked the Bureau of the Budget about that. Does the Senator know what they told me? They said, "Because the Whitten amendment included them and not because we considered them controllable." They pointed out on page 14 of the budget last January that both of these departments are uncontrollable.

Mr. MUNDT. Did they say completely or relatively,

Mr. HOLLAND. I believe the word was relatively uncontrollable. That means the Senator from South Dakota and I could save money but that it might not be controlled by some of our common friends.

Mr. MUNDT. That can be controlled. If we have savings and economize ourselves that can apply to others.

I know from having served on the committee that they are controllable because I have seen them controlled. Mr. President, you can stack the testimony by the Bureau of the Budget as high as the roof. I can point to the chapter and page showing the legislative costs can be controlled. I say that the Senators know it can be controlled. You can vote to put new rugs in an office or you can vote not to put new rugs in an office; you can vote to build a new building or you can vote not to build a new building; you can vote to expand or reduce travel abroad. There is possible control over our expenditures and it is easier than in the VA, in time of war. So I submit our legislative budget is controllable. So much for that.

The Senator makes a great deal of the point that legislative salaries are fixed by law and judicial salaries are fixed by law. The Senator knows so well, and I am sure he must because he is as conversant with this as I am, that the whole thrust of this economy bill is that no salaries are to be cut anywhere along the line in the executive branch, the judiciary, or the legislative branch. The Senator tries to appeal to Senators to frighten them into thinking they might be taking a personal reduction in salary.

Members in other eras of our history have done even that. They cut their salaries back \$2,500 a year in time of war because there was a danger to our fiscal affairs. We are not suggesting that in this



bill, however, although we might have to come to that and I, for one, am ready to face that issue and make such cuts if necessary.

For the Senator to try to frighten Members to vote against my amendment by saying they might be cutting your salaries, however, is completely wrong. I say to Senators that this legislation is not going to cut any salaries anywhere. Then, there is the matter of not filling vacancies by reason of attrition through which there could be salary savings—this would and should apply to us as well as others.

Mr. HOLLAND. If any such thing as a vacancy occurred in the process of attrition—

Mr. MUNDT. Yes, sir.

Mr. HOLLAND. Would not the Governor of the State immediately appoint a Senator to take his place?

Mr. MUNDT. Not if he happens to be a Member of the House.

Mr. HOLLAND. Would not the Governor of the State call for an election to fill the seat, if a Representative passed away, retired, or resigned? Neither of those is a Federal official because it is the right of a State and it is the right of a district in a State to be represented here in Congress. How can Congress control that in this resolution when the Senator knows there is not going to be any such attrition?

Mr. MUNDT. Congress does not suggest that there be a cut in salary, that it be by attrition in the number of Members of the House of Representatives, or the number of Senators, but there is the same kind of turnover on committee staffs and on the individual staffs of Senators, as in executive departments. We say to the executive departments, "Just do not fill the jobs quite so rapidly and you make the saving."

That is what we applied to them. I think that is what we should apply to ourselves.

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. Assuming that any Senator, the Senator from Florida or the Senator from South Dakota, should lose his administrative assistant, who is it that has the right under the law to fill that post? Is it not the Senator who is concerned? If he needs an administrative assistant, does he not promptly get one?

Mr. MUNDT. May I answer that question in old Yankee fashion by asking the Senator from Florida: Suppose, in the Veterans' Administration, because of the extra business as a consequence of the Vietnamese war, that 100 people retire, who has it within his power to reappoint them, replace them, or not replace them?

Mr. HOLLAND. Did not the Senator ask me a question?

Mr. MUNDT. I did.

Mr. HOLLAND. Then all I can say is that I asked the Civil Service Commissioner what the situation was, and he said that there was a 27-percent turnover each year in the Civil Service force of this country, and that it would be extremely easy for any sizable agency to effect a 2-percent cut against the budgeted amount for personnel salaries because of that large turnover.

Mr. MUNDT. The Senator did not answer my question. He does not have to answer it, if he does not wish to do so, but his statement led to the question.

Mr. HOLLAND. The answer is this, that if he is talking about the Veterans' Administration, with thousands of employees, and there are 100 vacancies there, they may not have to fill all those vacancies, or they may fill some, or they could still leave some unfilled. They ask only a 2-percent reduction in the total budget for personnel salaries. The Civil Service Commission tells me that this is easily attainable from the standpoint of the various executive agencies.

Mr. MUNDT. Is it not true that the Veterans' Administration administrator can elect to replace them or not replace them, just as a Senator can elect to replace or not to replace a member of his staff?

Mr. HOLLAND. Of course he may do so, but the Senator, if he does not replace his right arm, and he has only one, and that is his administrative assistant, he would be without his right arm if he did not replace him. If he did not replace his legislative assistant, should he leave or retire, he would be without his left arm, because he has only one legislative assistant. That is true of all of us as Senators. Obviously, we would have to replace them. Is the service of those people so worthless that we might like to go ahead without an administrative or a legislative assistant? I think the question answers itself. We have an office with a limited number of employees, some 12 or 14 in the average Senate office, each with functions which that particular one is well trained to perform.

We do not have the same situation in a department such as Agriculture, with its tens of thousands of employees, or in the Veterans' Administration, with its tens of thousands of employees, or in any other of the huge departments of Government.

I repeat, I am willing to accept—and I hope the Senator from South Dakota is willing to accept—the verdict of the chairman of the Civil Service Commission who states that Federal agencies can easily accept this condition because of their normal, large turnover, leaving some positions unfilled, and thus saving 2 percent on their budgeted personnel expenses.

Mr. MUNDT. Did the Chairman of the Civil Service Commission say that Members of Congress and Senators could not likewise accept such a reduction?

Mr. HOLLAND. The Civil Service Commission had nothing to say to us about that. That is our business. I am saying, for the Senator from Florida, that I cannot get along without an administrative assistant. I think I can also say that for the Senator from South Dakota, that he cannot get along without an administrative assistant. I cannot get along without a legislative assistant and I think I can say that for the Senator from South Dakota, too.

I cannot get along without trained people to do specific work in my office. I have only barely enough now to do the work. I am one of the offices in Washington, as I think the Senator from South Dakota is also, which keeps open every Saturday in

order to try to catch up on our work. We have difficulty getting in touch with the executive offices throughout the District because they are not open on Saturdays.

Mr. MUNDT. That is right.

Mr. HOLLAND. They are not open after 4:30 or 5 o'clock and we are open not only at 6 o'clock but sometimes until 7 or later. All the staffs of Senators and House Members are very hard workers. They are well paid for their work. They are well trained to do specific work. If something happens to one, either he or she has to be replaced, because there is no one else to do that particular work. The Senator knows that perfectly well, so that it is idle for us to discuss it further.

Mr. MUNDT. I believe that we do not have to discuss this issue much more. We start out with a different philosophy. The Senator from Florida seems to feel that all Federal officials down at the executive end of the avenue are wasters and squanderers. If he can allege that as a Democrat, then I can reaffirm it as a Republican. I think there is a lot of that going on down there. But I do not think the other side of the coin is right when he assumes that all Members of the Senate and House are thrifty Scotsmen and traditional pennypinchers who never spend a nickel of the public's money which they should not be spending.

I cannot get along without an administrative assistant. I cannot get along without a sizable staff. We keep the office open on Saturdays as well as the Senator from Florida. Most of the departments downtown do not. The Senator from Florida states that he does not have a loose clerical budget. I do not, either. I have turned back well over \$200,000 of my expense money to the Federal Government since I became a Member of Congress. But that does not mean I could not have had some more people. It does not mean I could not have made the members of my staff a little happier if I had hired four or five more in the office to work the Saturday shift and let the rest of them off. It means, I guess, that I have been somewhat hard-boiled with my staff and have resisted their legitimate pleas not to have to work so long or so late.

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield?

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Florida?

Mr. MUNDT. I yield.

Mr. HOLLAND. I will be much kinder to the Senator from South Dakota than he is to himself. I think that he runs a frugal office, and a well-trained office with fine personnel. I do not think he could spare a single one of them. If he did have to spare one, he would need quickly to replace him or her.

I think his situation is like mine and like that of most Senators and most House Members. Aside from that, the Senator has not gotten around to the point of telling us from what source there could be any control exercised in this particular matter.

The Senator from South Dakota is answerable only to the people of South Dakota. He has the right to determine the salaries and those who shall be on his



payroll and what work they shall do. He has the right, the privilege, and the duty to report to his State and no one can control him in any of those matters.

For myself, I would not cast one vote that would look as though I thought I could control him, because I know that I cannot. I am sure he knows the same thing is true of the Senator from Florida.

Mr. MUNDT. I will get around to that but, first, I want to disavow the very gracious compliment which the Senator paid me when he indicated I ran such a tight ship, that I have exactly the right number of people, working precisely the right number of hours per week, to get the job done.

One of my fine girls took ill and was gone for a long time. I hoped she would come back. We waited 4 or 5 months. She came back. To my surprise, the office continued to run without her. I suppose I could have saved her salary. I did not. She was ill and I continued to pay her. Had she resigned I could have saved that money. Thrifty as I am, I could have saved some additional money. So I think we all could. I point out that the situation is serious enough for unusual and painful action.

Let me conclude by saying that if we accept everything the Senator from Florida said about salaries, we do not have to make the saving out of salaries. We can also take it out of the executive, judicial, and legislative from non-salary sources. We can reduce the amount spent for travel, equipment, construction, what is spent by the Architect of the Capitol. Our money is as controllable as is any other item.

Turning to the next point of the Senator from Florida, he said it was kind of a piddling little saving. It amounted to only \$14 million in the legislative and \$3 million in the judiciary. We agree on the arithmetic. Against a \$4.1 billion saving in the executive branch, it is not very large, but large savings are made by pyramiding little amounts on top of little amounts.

As I said before, I am interested in the principle. It seems to me commonsense and simple justice that we in the legislative and judiciary branches should feel a pinch, economywise, in these crucial days of war, particularly when we ask the Veterans' Administration to accept a reduction. Perhaps we should have exempted it, but we decided to include that department. We included reductions for the Department of Agriculture, with farmers struggling along at 72 percent of parity, in the worst economic straits they have been in in three decades, paying the highest interest rates since the War Between the States, or maybe since Reconstruction. Yet we are cutting money out for services for the farmers.

So I think \$14 million could be spared from the services and committees in the Congress, consisting of 535 Members, as a representation of good faith on our part.

On the next point, I am sure the Senator from Florida misspoke himself, because he implied that, as a college professor, I did not know the Constitution said Congress could not cut the salaries of Federal judges. Let me tell him that, if I did not know that, I would be ad-

vocating reductions in the salaries of some of them. I know it, and the Senator knows it. But no cut in judicial salaries or senatorial salaries or any other salaries are involved. The judiciary has \$6 million for travel. I do not know why. When I hear some of the speeches made by the top judges in their travels, I wish they would stay home. Then when I read some of the decisions they make, I wish they would go travel. But perhaps they could save half of the travel money.

The judiciary spends one-third of a million on buildings and grounds and \$41 million for supporting personnel. Maybe they could get along, as I found to my surprise I could, with one less employee for 6 months. So they could, too, participate in this all-out attack on waste.

I conclude my argument by saying we have a decision to make. I agree with everything the Senator from Florida has said about the inconveniences involved in economizing. It is not going to be easy. It is going to be a little painful. Maybe he is right in assuming that down at the other end of the avenue they shovel money out in big shovelfuls and do not pay attention to it, and here we parcel it out with an eye dropper and that we are consistently thrifty. I do not accept that, but I would like to see us get into the economy act. I would like to see us participate. I would like to see us give some manifestation of good faith. Then perhaps we could effect some more economies in the executive branch next year, if we do not insist on excluding ourselves from this first real meaningful experiment in economy.

The question is, Will we participate in economy or just continue to pontificate about economy? That is the question we will resolve in the rollcall vote on my amendment. The question is, Will we practice what we preach, or just keep on preaching economy without being willing to practice any of it? Our rollcall will determine that.

Mr. President, I conclude simply by saying that the proposition on which we are about to vote is to determine whether we are just going to continue to provide counsel to others who we think should save some money, or whether we ourselves will cooperate a little bit by saving some in our own house and our own shop. I think we ought to wage an all-out war against waste, against deficit spending, and I think we should do it with all three branches of the Government participating in the effort.

I urge a favorable vote on my amendment.

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). The question is on the amendments of the Senator from South Dakota to the House amendment to Senate amendment No. 2.

Mr. HOLLAND. Mr. President, I suggest a temporary quorum call, to be called off in 2 or 3 minutes, just to give warning.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that further proceedings under the quorum call be terminated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the amendments of the Senator from South Dakota to the House amendment to Senate amendment No. 2. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. DIRKSEN (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished Senator from Delaware [Mr. WILLIAMS]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MONDALE], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I also announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

I further announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Hawaii [Mr. INOUE], the Senator from Missouri [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Alabama [Mr. HILL] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Massachusetts [Mr. BROOKE], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Texas [Mr. TOWER] and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kentucky [Mr. COOPER] are absent on official business.

The Senator from Vermont [Mr. PROUTY] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. DOMINICK], the Senator from Illinois [Mr. PERCY], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The pair of the Senator from Delaware [Mr. WILLIAMS] has been previously announced.

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from California would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 29, nays 44, as follows:



[No. 387 Leg.]

## YEAS—29

Bennett	Fong	Miller
Burdick	Fulbright	Morton
Byrd, Va.	Hansen	Mundt
Cannon	Hatfield	Murphy
Case	Hickenlooper	Pastore
Church	Hollings	Smith
Clark	Hruska	Spong
Cotton	Javits	Stennis
Curtis	Mansfield	Thurmond
Fannin	McGovern	

## NAYS—44

Anderson	Holland	Moss
Baker	Jackson	Muskie
Bartlett	Jordan, N.C.	Nelson
Bible	Jordan, Idaho	Pearson
Boggs	Kennedy, Mass.	Pell
Byrd, W. Va.	Kennedy, N.Y.	Proxmire
Carlson	Long, La.	Randolph
Ervin	McCarthy	Smathers
Gore	McClellan	Sparkman
Griffin	McGee	Tydings
Gruening	McIntyre	Williams, N.J.
Harris	Metcalf	Yarborough
Hart	Monroney	Young, N. Dak.
Hartke	Montoya	Young, Ohio
Hayden	Morse	

## NOT VOTING—27

Aiken	Eastland	Percy
Allott	Ellender	Prouty
Bayh	Hill	Ribicoff
Brewster	Inouye	Russell
Brooke	Kuchel	Scott
Cooper	Lausche	Symington
Dirksen	Long, Mo.	Talmadge
Dodd	Magnuson	Tower
Dominick	Mondale	Williams, Del.

So Mr. MUNDT's amendment was rejected.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CASE. Mr. President, I wonder if the Senator from Florida qualifies to make that motion.

Mr. YOUNG of Ohio. Mr. President, I move to lay that motion on the table.

Mr. CASE. Mr. President, did the Senator from Florida intend to vote the other way?

Mr. HOLLAND. I voted on the prevailing side.

Mr. CASE. Did the Senator intend to vote the other way on the reconsideration?

Mr. HOLLAND. I do not have to qualify, as I understand parliamentary procedure. I voted on the prevailing side. I have moved to reconsider the vote by which the amendment was rejected, and a motion has been made to lay that motion on the table.

Mr. CASE. Does not the Senator have to qualify in order to make that motion?

The PRESIDING OFFICER. The Senator is qualified to make the motion to reconsider under the rule.

Mr. HOLLAND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. YOUNG of Ohio. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I understand that the next question is on my motion to concur in the amendment of the House to the Senate amendment No. 2.

We have just rejected an amendment to change Senate amendment No. 2. The motion would now recur on the motion to concur.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. Mr. President, is the motion before the Senate?

Mr. HOLLAND. Mr. President, may we have order?

The PRESIDING OFFICER. The motion is before the Senate.

Mr. MILLER. Mr. President, I ask for for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the amendment of the House to Senate amendment No. 2.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURPHY. Mr. President, a parliamentary inquiry. What is the House amendment?

The PRESIDING OFFICER. The roll is being called. A parliamentary inquiry is not in order, and the Chair has no authority to interpret the House amendment. The clerk will continue to call the roll.

The rollcall was resumed.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the distinguished senior Senator from Missouri [Mr. SYMINGTON]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Hawaii [Mr. INOUE], the Senator from Missouri [Mr. LONG], the Senator from Connecticut [Mr. RIBICOFF], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

I further announce that the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Alabama [Mr. HILL], the Senator from Hawaii [Mr. INOUE], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Connecticut [Mr. RIBICOFF], and the Senators from Georgia [Mr. RUSSELL and Mr. TALMADGE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Massachusetts [Mr. BROOKE], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], the Senator

from Texas [Mr. TOWER], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Kentucky [Mr. COOPER] are absent on official business.

The Senator from Vermont [Mr. PROUTY] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. DOMINICK], the Senator from Massachusetts [Mr. BROOKE], the Senator from Kentucky [Mr. COOPER], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Texas [Mr. TOWER], and the Senator from Delaware [Mr. WILLIAMS] would each vote "yea."

The result was announced—yeas 74, nays 0, as follows:

[No. 388 Leg.]

## YEAS—74

Anderson	Harris	Montoya
Baker	Hart	Morse
Bartlett	Hartke	Morton
Bennett	Hatfield	Moss
Bible	Hayden	Mundt
Boggs	Hickenlooper	Murphy
Burdick	Holland	Muskie
Byrd, Va.	Hollings	Nelson
Byrd, W. Va.	Hruska	Pastore
Cannon	Jackson	Pearson
Carlson	Javits	Pell
Case	Jordan, N.C.	Proxmire
Church	Jordan, Idaho	Randolph
Clark	Kennedy, Mass.	Smathers
Cotton	Kennedy, N.Y.	Smith
Curtis	Long, La.	Sparkman
Dirksen	McCarthy	Spong
Ervin	McClellan	Stennis
Fannin	McGee	Thurmond
Fong	McGovern	Tydings
Fulbright	McIntyre	Williams, N.J.
Gore	Metcalf	Yarborough
Griffin	Miller	Young, N. Dak.
Gruening	Mondale	Young, Ohio
Hansen	Monroney	

## NAYS—0

## NOT VOTING—26

Aiken	Ellender	Prouty
Allott	Hill	Ribicoff
Bayh	Inouye	Russell
Brewster	Kuchel	Scott
Brooke	Lausche	Symington
Cooper	Long, Mo.	Talmadge
Dodd	Magnuson	Tower
Dominick	Mansfield	Williams, Del.
Eastland	Percy	

So Mr. HOLLAND's motion to concur in the amendment of the House to Senate amendment No. 2 was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate reconsider the vote by which the motion was agreed to.

Mr. ANDERSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from Florida will state it.

Mr. HOLLAND. Do I correctly understand that now that the Senate has voted to concur in the House amendments to the Senate amendments No. 1 and No. 2, those being the only amendments that were involved, the action is now final upon this measure?

The PRESIDING OFFICER. The Senator from Florida is correct. Action is now completed on the bill.

Mr. HOLLAND. I thank the Presiding Officer.



## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4765) relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended.

## ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 7898. An act for the relief of Dr. Nemesio Vazquez Fernandez; and

H.R. 7977. An act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

## DUTY-FREE TREATMENT OF LIMESTONE

Mr. LONG of Louisiana. Mr. President, I move that the Senate proceed to the consideration of H.R. 1141, Calendar No. 900.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 1141) to permit duty-free treatment of limestone, when imported to be used in the manufacture of cement, pursuant to the Trade Expansion Act of 1962.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator of Louisiana.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and insert:

That (a) item 915.25 (relating to bona fide gifts, and not exceeding \$50 in retail value, from members of the Armed Forces serving in combat zones) of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "On or before 12/31/67" and inserting in lieu thereof "On or before 12/31/69".

(b) The headnotes for part 1, subpart B of the Appendix to such Schedules are amended by adding at the end thereof the following headnote:

"2. Articles exempted under item 915.25 from the payment of duty shall be exempt also from the payment of any internal revenue tax imposed upon or by reason of importation."

Sec. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1968.

Mr. LONG of Louisiana. Mr. President, the committee amendment strikes out all after the enacting clause in the House bill, H.R. 1141, as passed by the House, would authorize the President to eliminate the duty on certain limestone, when imported to be used in the manufacture of cement, pursuant to his trade agreement authority. The substance of this bill

was added as a floor amendment to H.R. 286 on March 23, 1967, and has since been enacted into law—Public Law 90-14. Accordingly, the objective sought by the House version of H.R. 1141 has been achieved, and the House provision now is unnecessary.

Mr. President, the House has a bill which might not reach the Senate at this session. It would permit servicemen to send gifts from Vietnam, duty free, to friends and relatives in the United States.

Because of this, in lieu of the language of the House bill, the committee substitutes an amendment to extend for 2 years, until December 1, 1969, the \$50 exemption in the tariff law for gifts from Armed Forces personnel serving in combat zones.

Under the basic customs law of the country, gifts from abroad may enter duty free if they are valued at not more than \$10. Historically, this Nation has made an exception to this \$10 rule in the case of gifts from servicemen serving abroad in the time of war. Under the exception, gifts from these servicemen valued up to \$50 may enter duty free.

In spring of last year Congress reenacted this exemption for servicemen serving in combat zones, such as Vietnam. Last year's amendment was limited to gifts received in this country on or before December 31, 1967. The passage of time has demonstrated that the Vietnam war will continue beyond that date. That being the case, we have a responsibility to our fighting men in Vietnam to continue the \$50 gift exemption for an additional period. Under the committee amendment, this \$50 gift exemption for servicemen in combat zones will be continued until December 31, 1969. Unless we act now, Christmas gifts arriving late from the Vietnam servicemen may not be received by their families and others without the payment of a tariff on the value of the gift property.

The Treasury Department endorses the committee's amendment; the Defense Department favors it. It is identical to a proposal offered in the House of Representatives by the chairman of the Committee on Ways and Means. I believe it should be agreed to, and I urge that it be agreed to.

Mr. President, this privilege to send to the United States gifts of up to \$50 free of duty exists until January 1, but some of these packages may be delayed and may not be received by January 1. Therefore, the bill is necessary to relieve the tariff on these presents being sent by servicemen to loved ones in the United States. This is the main purpose of the amendment. I know of no objection to the bill as amended.

Mr. President, I ask that the committee amendment be agreed to and the bill considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the committee amendment is agreed to and the bill is considered as original text for the purpose of amendment.

Mr. ANDERSON. Mr. President, I have an amendment to the bill, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. ANDERSON] proposes an amendment at the end of the bill as follows:

Section 551 of the Tariff Act of 1930, as amended (19 U.S.C. 1551), is amended by adding at the end thereof the following new sentence: "A private carrier, upon application, may, in the discretion of the Secretary, be designated under the preceding sentence as a carrier of bonded merchandise, subject to such regulations and, in the case of each applicant, to such special terms and conditions as the Secretary may prescribe to safeguard the revenues of the United States with respect to the transportation of bonded merchandise by such applicant."

Mr. ANDERSON. Mr. President, this section was originally submitted on another bill (H.R. 2155) and approved unanimously by the Committee on Finance. Inasmuch as the other bill may not reach the floor, I have called up the amendment here.

Mr. LONG of Louisiana. Mr. President, I am familiar with the amendment. The amendment was reported favorably by the committee as an amendment to H.R. 2155, which it has been agreed is a subject of rather controversial debate involving trade policies that we will get around to this session or next session. There is no reason why this amendment should be held up because it is not controversial. It was agreed to unanimously in committee.

I have discussed the amendment with the distinguished minority leader and he agrees that there is no point in holding it up. It should have been acted on a long time ago. Let me now turn to an explanation of the amendment.

Under present law, imported merchandise which has not been entered, or withdrawn from warehouse, for consumption, ordinarily may be transported between ports of entry or from the port of importation to a customs bonded warehouse in another customs district only by common carriers or contract carriers bonded for such purpose.

Specifically, the authority of the Bureau of Customs to designate carriers of bonded merchandise prior to the release of such merchandise from customs custody is limited to, first, any common carrier of merchandise owning or operating a railroad, steamship, or other transportation line or route for the transportation of merchandise in the United States; second, any contract carrier authorized to operate as such by any agency of the United States; and, third, any freight forwarder authorized to operate as such by any agency of the United States—19 U.S.C. 1551.

In 1936, Congress provided an exception to this rule which had the effect of qualifying private cartmen and lightermen, when bonded, to transport imported merchandise between the ports of New York, Newark, and Perth Amboy—which were in the same customs district—before such merchandise had been released from customs custody and the duties involved had been paid. However, there is no rule under which a private carrier may similarly transport customs bonded merchandise between other customs ports or between customs districts.











# SUSPENSION OF PARAGRAPH 6 OF RULE 38 OF THE STANDING RULES OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that paragraph 6 of rule 38 of the standing rules of the Senate relating to proceedings on nominations be, and it is hereby, suspended with respect to nominations unacted upon during the present session, and the status quo shall not be affected by the final adjournment of the first session of the 90th Congress.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## DATE OF MEETING OF SECOND SESSION OF 90TH CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 960.

The PRESIDING OFFICER laid before the Senate House Joint Resolution 960, which was read the first time by its title and the second time at length, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second regular session of the Ninetieth Congress shall begin at noon on Monday, January 15, 1968.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 960) was considered, ordered to a third reading, read the third time, and passed.

## AUTHORITY TO SIGN ENROLLED BILLS AND RESOLUTIONS

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 605.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 605, which was read as follows:

*Resolved by the House of Representatives (the Senate concurring),* That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 1, line 5, after the word "Senate", insert: "the President pro tempore, or the Acting President pro tempore."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (S. Con. Res. 605) was agreed to, as follows:

*Resolved by the House of Representatives (the Senate concurring),* That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate, the President pro tempore, or the Acting President pro tempore, be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

## JUNG SOO BOK

Mr. MANSFIELD. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House of Representatives on H.R. 11292.

The PRESIDING OFFICER laid before the Senate H.R. 11292, for the relief of Jung Soo Bok, which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

## ORDER FOR ADJOURNMENT SINE DIE

Mr. MANSFIELD. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 604.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 604, which was read, as follows:

*Resolved by the House of Representatives (the Senate concurring),* That the two Houses of Congress shall adjourn on Friday, December 15, 1967, and that when they adjourn on said day they stand adjourned sine die.

Mr. MANSFIELD. Mr. President, I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (H. Con. Res. 604) was considered and agreed to.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations of postmasters, reported earlier today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## POSTMASTERS

The legislative clerk proceeded to read sundry nominations for postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

## NOTIFICATION TO THE PRESIDENT

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 198), as follows:

*Resolved,* That a committee of two Senators be appointed by the Presiding Officer to join a similar committee of the House of Representatives to notify the President of the United States that the two Houses have completed their business of the session and are ready to adjourn unless he has some further communication to make to them.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The PRESIDING OFFICER. Under the terms of the resolution the Chair appoints the Senator from Montana [Mr. MANSFIELD] and the Senator from Illinois [Mr. DIRKSEN].

## THANKS OF THE SENATE TO THE ACTING PRESIDENT PRO TEMPORE

Mr. DIRKSEN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 202), as follows:

*Resolved,* That the thanks of the Senate are hereby tendered to the Honorable Lee Metcalf, Acting President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

## AUTHORIZATION FOR PRESIDENT OF THE SENATE TO MAKE APPOINTMENTS TO COMMISSIONS AND COMMITTEES

Mr. DIRKSEN. Mr. President, I send a resolution to the desk and ask for its immediate consideration.



The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read the resolution (S. Res. 199), as follows:

*Resolved*, That, notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

#### THANKS OF THE SENATE TO THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I send a resolution to the desk, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution will be stated.

The resolution (S. Res. 200) was read by the legislative clerk, as follows:

*Resolved*, That the thanks of the Senate are hereby tendered to the Honorable Hubert H. Humphrey, Vice President of the United States and President of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the first session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

#### THANKS OF THE SENATE TO THE PRESIDENT PRO TEMPORE

Mr. BYRD of West Virginia. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 201) was read by the legislative clerk, as follows:

*Resolved*, That the thanks of the Senate are hereby tendered to the Honorable Carl Hayden, President pro tempore of the Senate, for the courteous, dignified, and impartial manner in which he has presided over its deliberations during the 1st session of the Ninetieth Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

#### TOTAL REDUCTION IN BUDGET

Mr. HOLLAND. Mr. President, the compilation filed a little while ago by the chairman of the Committee on Appropriations showed that the total reduction in budget requests of the administration, as reflected by the actual appropriations bills passed by the Congress during this session, amounted to \$5.3 billion.

Mr. President, I have had from the staff of the Appropriations Committee, which has been in contact with the Budget Bureau, additional figures showing how this total reduction is reflected

in the joint resolution which was passed (H.J. Res. 888), accomplishing reductions in the expenditures budget for this year and in the obligations budget.

I am now told, and I think the RECORD should reflect these figures which I think are all of very great importance, that the obligations budget for this year, as affected by the appropriations and by the resolution has been reduced by \$9.8 billion, and that the expenditures budget for this year, as affected by both the appropriations bill and resolution has been reduced by between \$4.4 billion and \$4.5 billion.

Mr. President, when the President signs the resolution (H.J. Res. 888), which he has assured us he will sign, the figures of the total reduction of both the expenditures budget and the obligations budget—and everything, insofar as the Senate Appropriations Committee staff has been able to discover, has been accomplished, and I think that Senators going home should have these facts which are of utmost importance to the Nation—will show that with the signing of the resolution, a compulsory reduction of the obligations budget of the Nation for the fiscal year 1968 in the amount of \$9.8 billion is assured, and a compulsory reduction in the expenditures budget for the fiscal year 1968 of between \$4.4 billion and \$4.5 billion is accomplished.

Mr. President, I think those are facts of which all Senators can well be proud, because all Senators have had a part in it.

#### REPORTS ON EXPANSION OF VIETNAMESE WAR

Mr. COOPER. Mr. President, the Senate will soon adjourn. I do not want to delay the Senate. However, before we adjourn, I want to express my concern about reports that the war in Vietnam may be expanded.

For the past month there have been recurring reports, rumors, and speculations that the administration is considering a limited invasion of North Vietnam and the inauguration of a policy of "hot pursuit" into Cambodia and Laos.

I have no information to support these reports or speculations, nor do I have any information that decisions have been made for such action or that it is being considered seriously. Thus far, the war in Vietnam has not been extended into Cambodia. No invasion of North Vietnam or Laos has taken place.

If these courses have been or are being urged presently by the military or other advisers of the President, it is evident that the President of the United States has determined thus far that they are not in the interests of the United States.

I desire to speak today, before Congress adjourns, to support the President in this determination and to urge that the President reject any course of short-term military expediency. The introduction of U.S. troops into North Vietnam, Laos, or Cambodia could only lead to a further and more dangerous expansion of the war.

We are aware that routes in Laos have been used by North Vietnam to infiltrate men and supplies to the south, and that

our forces have bombed these routes. There is an increasing weight of evidence that Cambodia is being used as a sanctuary for the troops of North Vietnam and the Vietcong. It is normal for the military services to make plans to counter this situation for it is their duty to consider and prepare for all contingencies.

The desire to pursue the enemy, to protect our troops, and to shorten the war contribute to the pressures to involve our forces further in North Vietnam and Laos and engage them in Cambodia.

But the lesson our experience in Vietnam teaches, I believe, is that the extension of the war, either by bombing or by the introduction of our forces, would be met by additional Vietnamese forces in Laos and Cambodia, by the additional supply of weapons and particularly sophisticated weapons by the Soviet Union, the involvement of the governments and peoples of Laos and Cambodia against their will, then the employment of additional American troops and increased casualties and destruction. We can only conjecture the vast array of new political problems that would be raised.

Only recently, General Westmoreland and Ambassador Bunker reported to the Nation that progress is being made in South Vietnam upon both the military and the political fronts. Why, then, if progress is being made, should the prospect of new interventions of larger forces from North Vietnam and new political problems be invited? Why should the effectiveness of our fighting men be diluted by expanding the areas in which they must fight?

There is a growing pessimism in this country and in the world about the possibility of negotiating the end of this war. This pessimism, I believe, will become confirmed if the war is so expanded that the only settlement is by armed force.

The administration has said that no alternatives have been offered to the policy it now follows. Proposals have been made in the past which, while not offering a complete policy for dealing with Vietnam, have suggested means of determining if a cease-fire and negotiations were possible. Among these is one for a cessation of bombing, which I proposed for 2 years, not as a complete and alternative policy for dealing with Vietnam, but as a means of determining if cease-fire and negotiations were possible. Senator Symington has made a proposal for a complete cease-fire. These proposals and others have been rejected.

Senator MANSFIELD's resolution to submit the issue of Vietnam to the United Nations, adopted unanimously by the Senate, was and is a constructive, positive, and hopeful alternative. His proposal still is a possible alternative. It might not succeed, but I believe it represents the view of Congress and the view of the majority of our people—that we must not cease to seek a resolution of this war, unlikely as it may seem at present, through peaceful means rather than by armed force.

I speak as one who has supported our Armed Forces and—like others in the













Public Law 90-218  
90th Congress, H. J. Res. 888  
December 18, 1967

## Joint Resolution

Making continuing appropriations for the fiscal year 1968, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "December 20, 1967".

Continuing  
appropriations,  
1968.  
Ante, pp. 256,  
518.

### TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than \$9 billion and \$4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

SEC. 202. (a) During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

(1) the aggregate amount available to each such department or agency as obligational authority in the fiscal year 1968 through appropriation acts or other laws, or

(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

(i) 2 percent of the amount included in such estimate for personnel compensation and benefits, plus

81 STAT. 662

(ii) 10 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

81 STAT. 663

for objects other than personnel compensation and benefits.

(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

Definitions.

(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document No. 16, 90th Congress, 1st Session), as amended during the first session of the 90th Congress.

SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading "relatively uncontrollable" in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding \$300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

Nonapplicabil-  
ity.

(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided*, That the President may exempt from the operation of

National de-  
fense, obli-  
gations.



this title any obligations for national defense which he deems to be essential for the purposes of national defense.

SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a) (2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

Personnel and  
construction,  
reductions.

SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

SEC. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a) (2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress.

Approved December 18, 1967.

---

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 785 (Comm. on Appropriations) and No. 1011 (Comm. of Conference).

SENATE REPORT No. 672 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 113 (1967):

Oct. 18, Dec. 11: Considered and passed House.

Oct. 23-25, Dec. 12: Considered and passed Senate.



# Index of Contents

ACTS APPROVED, LIST-----	1780
ADDRESSES AND REMARKS	
(See also President's Round-the-World Trip)	
Christmas message to the Nation-----	1774
ANNOUNCEMENTS	
Meeting of subcommittee of Joint U.S.-Japan Committee on Trade and Economic Affairs---	1777
APPOINTMENTS AND NOMINATIONS	
Advisory Commission on Intergovernmental Rela- tions (Mayor William F. Walsh of Syracuse) --	1777
Nominations submitted to the Senate, note-----	1780
AWARDS AND CITATIONS	
Distinguished Service Medal and Medal of Free- dom awards at Cam Ranh Bay, South Vietnam--	1769
BILL SIGNINGS	
Appropriations for fiscal year 1968, with provi- sion for reduction in Government spending, statement-----	1762
District of Columbia crime bill, statement-----	1776
District of Columbia medical assistance program, statement-----	1776
Federal employees in hazardous duty posts, state- ment-----	1772
CHECKLIST OF WHITE HOUSE RELEASES-----	1780
DIGEST OF OTHER WHITE HOUSE ANNOUNCEMENTS--	1780
EDITOR'S NOTE-----	1780
MEETINGS WITH FOREIGN LEADERS	
(See next heading below)	

PRESIDENT'S ROUND-THE-WORLD TRIP	
• Honolulu International Airport, remarks-----	1762
• Pago Pago International Airport, American Samoa, remarks-----	1764
• Canberra, Australia, remarks upon arrival to attend services for Prime Minister Holt-----	1764
• Canberra, joint announcement following dis- cussions with Prime Minister McEwen of Australia-----	1765
• Canberra, joint statement following discussions with President Pak of Korea-----	1765
• Canberra, joint statement following discussions with President Thieu of Vietnam-----	1765
• Khorat, Thailand, remarks to American combat pilots-----	1766
• Cam Ranh Bay, South Vietnam, remarks to Senior Unit Commanders-----	1768
• Cam Ranh Bay, South Vietnam, remarks to service personnel (including medal award ceremony)-----	1769
• Karachi, Pakistan, joint statement following discussions with President Ayub-----	1772
• Rome, statement upon arrival-----	1773
• Rome, statement by the President following his meeting with Pope Paul VI-----	1773
• Rome, statement upon departure-----	1773
• Washington, message to the Nation-----	1774
REPORTS TO THE PRESIDENT	
Vocational rehabilitation (Secretary HEW)-----	1777
STATEMENTS BY THE PRESIDENT	
(See also Bill Signings; President's Round-the- World Trip)	
Federal participation in regional economic devel- opment-----	1778
Rescue and return of astronauts and space objects, UN endorsement of agreement-----	1763

[A Cumulative Index to Prior Issues appears at the end of this issue.]



# *Weekly Compilation of* **PRESIDENTIAL DOCUMENTS**

*Week Ending Friday, December 29, 1967*

## Honolulu, Hawaii

*The President's Remarks Upon His Arrival at Honolulu International Airport En Route to Australia To Attend Memorial Services for Prime Minister Harold Holt.  
December 19, 1967*

*Governor Burns, Senator Fong, Mrs. Inouye, Lieutenant Governor Gill, Mayor Blaisdell, General Ryan, ladies and gentlemen:*

I am glad you have come out here in this inclement weather to greet us on our way down under.

Geographically, you are the closest American State to Australia.

You understand—as Australians understand—the web of ties that makes the Pacific nations one family.

You knew, before most of your fellow countrymen knew, that the Pacific is an avenue—not a barrier.

Long ago you knew how important it was to have brave friends in the Pacific—friends who would share the burdens and the opportunities of freedom.

America had such friends in Australia in 1941—when the clouds of war rose over Pearl Harbor.

We have such friends in Australia now, when a new threat to peace looms over all of Asia.

Tragically, one of our best Australian friends has fallen. A leader in the prime of his life has been taken from his countrymen—and from us, his friends and partners. Harold Holt was a statesman who believed that Australia's destiny was bound up with that of her neighbors in the Pacific.

In the tradition of his great predecessor, Sir Robert Menzies, Harold Holt called on his people to meet the responsibilities that freedom always brings. He asked them to join with the people of South Vietnam, with the people of the United States, and with five other nations, to turn back the new aggressor in Asia. His people responded as

Australians always have responded in the hour of need. Their men are with us in battle at this hour standing shoulder to shoulder and side by side with ours.

Harold Holt's vision of Asia—and of Australia's role there—was not limited to the battlefield. The end he sought was not military conquest. It was the building of a new Asia, where nations with a common interest in peace might help one another build the foundations of peace: better lives for their people.

We mourn the loss of this good man—this brother in arms—this friend in the works of peace. What he was cannot be replaced—though what he built will always endure.

I am going many thousands of miles to join his countrymen, and leaders from all over Asia and the Commonwealth, to pay tribute to Harold Holt. I carry with me the affection and admiration of the American people for the people of Australia. And I know that I carry your deep regret that your fellow citizen of the Pacific has been taken from us—at a critical hour, when the work he shared with us is beginning to bear fruit.

Governor Burns, my dear friends, and my friends of Hawaii, all of you, we thank you deeply for coming here in this rain to join with us on our journey.

Thank you and good night.

NOTE: The President spoke at 6:15 p.m., H.s.t., at Honolulu International Airport, Honolulu, Hawaii. As printed above, this item follows the text of the White House press release.

## Continuing Appropriations, Fiscal Year 1968

*Statement by the President After Signing House Joint Resolution 888, With Provisions for Reducing Government Spending. December 19, 1967*

I have signed H.J. Res. 888—serving notice to the Nation that we intend to maintain the health of our econ-



omy; serving notice to the world that we intend to preserve the strength of our dollar.

This resolution carries out my request to the Congress that I be authorized and directed to cut Government spending this year by some \$4.3 billion—\$2.5 billion over and above the expenditure reductions already made by the Congress.

It requires every civilian agency to reduce its budgeted obligations by an amount equal to 2 percent of payroll, plus 10 percent of other controllable obligations.

It provides for a reduction in the obligations of the Defense Department by an amount equal to 10 percent of non-Vietnam programs.

Although many speeches are made about the desirability of cutting expenditures, they are too frequently couched in generalities and not specifics. They too often fail to face the real problem of what, where, and how to cut. This resolution supplies an essential bridge between the generalities and the specifics.

After all the talk about economizing—by Democrats and Republicans alike—after all the rhetoric and all the actions by the appropriations committees and all the votes on the appropriation bills, the Congress after 11 months in session cut only \$1.8 billion in expenditures from the budget.

This was clearly not enough. It was not enough in the light of sharp changes in our fiscal situation. It was not enough in the absence of a tax bill that I had recommended.

On the advice of my own fiscal advisers, and after conferences with the House and Senate committee chairmen, we agreed that a \$4.3 billion total expenditure reduction was required.

The administration decided, moreover, that these reductions should be made in partnership with the Congress. While the President has the authority to reduce spending as he deems necessary, I had no desire to undo the work the Congress had already done on the appropriation bills. This resolution represents our determination to work together to reduce Federal spending in a fair, effective, and efficient way.

These reductions will not be easy to make. Those who call for budget cutting find it easy to talk in terms of dollars and cents. But a President must act—and act in terms of people. Some important public services will have to be cut below the level our citizens would prefer.

Yet, it is vital to the health of our economy that we act.

“Less desirable” spending is a difficult term to define—especially in a budget that was tight when I submitted it. And what is “less desirable” to one citizen—or his Congressman—is “vital” to another. Nevertheless, I pledge that my Cabinet and I will enforce these cuts with fairness and compassion.

But let us be clear about this: This resolution I have signed today represents only half of the job that is before us. The Congress has still not acted on the temporary tax measures I have recommended to the Congress. Every

day's delay increases the cruel tax that inflation and rising interest rates impose on every American family.

In cutting expenditures by some \$4.3 billion, we have faced up to our responsibility. I hope the Congress will complete the job by making its first order of business next January the enactment of a tax bill that will fairly and equitably apportion the costs of government in a strong, growing nation and a troubled world.

NOTE: The statement was released at Honolulu, Hawaii. As enacted, H.J. Res. 888 is Public Law 90-218, approved December 18, 1967.

## Rescue and Return of Astronauts and Space Objects

*Statement by the President Following Agreement Concluded by the United Nations General Assembly. December 19, 1967*

I am gratified that the United Nations General Assembly has just endorsed an “Agreement on the Rescue of Astronauts, the Return of Astronauts, and the Return of Objects Launched into Outer Space.”

The subject of assistance and return has been discussed at meetings of the U.N. Outer Space Committee since 1962. The agreement would implement rights and obligations of the Outer Space Treaty. The proposed new agreement would require that parties to the treaty shall

- Immediately notify the appropriate authorities if they receive information that astronauts have accidentally landed or are in distress,
- Immediately take all possible steps to rescue astronauts who have accidentally landed on their territory and render them all necessary assistance,
- If necessary and if they are in a position to do so, extend assistance in search and rescue operations for astronauts who have alighted on the high seas,
- Safely and promptly return astronauts who have landed either on their territory or on the high seas, and
- Notify the appropriate authorities of space objects which have come down on their territory or on the high seas and, upon request, take steps to recover and return such objects.

I hope that this agreement will help to ensure that nations will assist astronauts in the event of accident or emergency. The agreement would carry forward the purpose of this administration to promote international cooperation in the peaceful uses of outer space. On the occasion of the entry into force of the Outer Space Treaty on October 10, I said:

“Whatever our disagreements here on earth, however long it may take to resolve our conflicts whose roots are



buried centuries deep in history, let us try to agree on this. Let us determine that the great space armadas of the future will go forth on voyages of peace—and go forth in a spirit, not of national rivalry, but of peaceful cooperation and understanding. The next decade should increasingly become a partnership—not only between the Soviet Union and America, but among all nations under the sun and stars.”

NOTE: The statement was released at Honolulu, Hawaii.

## Pago Pago, American Samoa

*The President's Remarks at International Airport.  
December 20, 1967*

*Governor and Mrs. Aspinall, friends of Samoa:*

We have enjoyed very much your entertainment this evening. We thank all of you for coming here and giving us this very warm greeting.

We prize very highly the friends that we have here. We recall very vividly when Mrs. Johnson and I dedicated the school you had been generous enough to name in her honor.

I remember many months ago first hearing of the great success you had made with your educational TV and how it excited the interest of many of our people in our country and in the Congress. I am glad to tell you now that we are trying to follow in your footsteps. Very shortly we will set up a public TV of our own.

What you are doing here in the way of schools and education is something we are very proud of, as we are proud of the new hospital that you will shortly be dedicating.

Governor Aspinall referred to the contribution that your men are making in our Armed Services. We salute them and we thank them.

Our concern always will be with your health, with your education, and with your advancement.

We want each of you to know that we do care, that we are happy that you are making progress. We trust that the Good Lord will give us the strength and the leadership to permit us to continue to move ahead.

Thank you so much for your wonderful entertainment. I have enjoyed it. I appreciate your interest in coming here at this late hour. I thank you all very much.

NOTE: The President spoke at 12:30 a.m. Samoan time. As printed above, this item follows the text of the White House press release.

## Canberra, Australia

*Exchange of Remarks Between Prime Minister John McEwen and the President Upon the President's Arrival in Australia To Attend Memorial Services for Prime Minister Harold Holt. December 21, 1967*

PRIME MINISTER MCEWEN. It is with great sadness in all our hearts that you come to Australia. But it is for me, sir, speaking for my government and for the Australian people, to say what a tremendous tribute you pay to our colleague Harold Holt, your friend Harold Holt, your associate Harold Holt, in making this tremendous journey across the world to come to Australia to pay your tribute to Harold Holt.

For this, sir, I thank you for myself, for my government, and for every Australian.

THE PRESIDENT. *Lord Casey, Prime Minister McEwen, distinguished guests:*

It is most gracious of all of you to meet us at this hour—and I thank you very much.

I come in sadness on a sorrowful mission—to pay my personal respects to a man who was my cherished friend and who led a nation which is the trusted friend of the United States.

I bring with me to all the people of Australia the sympathy of my countrymen, who wish you to know that your loss is not a loss you bear alone.

The gathering together, here in Australia, of leaders from north and east and west tells much of the kind of man Harold Holt was—of the kind of leadership he brought so freshly and so forcefully to the community of free nations—and to the kind of world he was helping to shape.

He was steady. He was courageous. In deed, as in word, he embodied the resoluteness of the people he led. He was there when he said he would be there. He did not move across the stage of world affairs seeking a way out or a way back from difficult and demanding duty—Harold Holt moved among us seeking to find and to open the way ahead toward a saner and safer world.

While his days were cruelly short, his vision was long. He saw that we had to begin, we had to begin now, to build a new community in Asia and in all the Pacific—a community of nations dedicated together to the works of security, the works of progress, and the fulfillment of all their peoples.

A sense of that community already is coming into being among us. In the years and generations ahead, that community will grow and flourish as common purpose and common endeavor become the common cause of the Pacific's peoples. Other men, other leaders, will carry that cause forward in this and all the other lands that rim this great ocean. But history is going to reserve a very honored place in its memory for the name and the role of Harold Holt. At a critical time, it was he who saw the